But those same pioneers, trained in the Calvinistic doctrine: "Without the shedding of blood there is no remission", built each for himself the bridge of hard work and self-sacrifice to the far shore of economic security. He did not expect nor did he ask the Government to build for him a personal bridge to the more abundant life. Those pioneers did not dedicate their glorious hymn "Come thou fount of every blessing, tune my heart to sing thy praise" to the dispensers of Federal bounties.

During the past six years the Congress has been busily engaged in the building of economic bridges. With the best of intentions we have fabricated various and sundry laws designed to improve the economic condition of selected groups. But we should frankly admit that if the practical effect of bridges of that type is to shift the hardships of life from the backs of one group to those of another the essential quality of such bridges is changed in degree but not in kind from the bridges of the Roman Emperors used by their armies to bring slaves to the Palatine Hills and tribute to the Roman coffers. Some of the old Roman Senators living in palatial homes on the outskirts of Rome had as many as 20,000 slaves. The struggle to gain power and influence for the purpose of shifting the hardships of labor to the backs of others is as old as the human race. No law that Congress can pass can change or repeal the law laid down to Adam and Eve when driven from the Garden of Eden: "In the sweat of thy face shalt thou eat bread, 'til thou return unto the ground." If we eat, someone must labor. If we accumulate wealth, someone must work. There is no bridge back to the Garden of Eden and no substitute for labor in the creation of wealth and a higher standard of living. Yet the Congress at this moment is confronted with the demand that we extract by means of a 2% Federal Sales Tax, from those who are laboring and producing, the aggregate of twelve or thirteen billion dollars per year in addition to present Federal sales taxes that produce a billion dollars annually and the sales taxes of some 27 States. This twelve or thirteen billion dollars of additional tax money is to be distributed to those of our population who are sixty years of age or more on the condition that they thereafter cease from gainful employment, and on the theory that the redistribution of wealth is one and the same with the creation of wealth. Tax experts estimate that already government is imposing on the working man concealed taxes that consume 15% of his cash income.

A I have previously indicated, the years immediately following the World War were devoted to the building of prosperity bridges—a grossly materialistic age. Then came the big depression, since which time our thoughts have been centered on recovery, but largely a recovery of material things. Little attention has been paid to recovery of moral fiber, to the recovery of independence and self-reliance, to recovery of the spirit of the pioneers—the spirit of those who discovered this Valley in 1716; the spirit of the Scotch-Irish and Pennsylvania Germans who shortly thereafter came down to settle and develop it. The national deficit in those qualities of heart should give us as great concern as the deficits in our national budget.

And certainly all of us should be concerned over our inability to build a bridge to peace. The Prince of Peace gave us the plans and specifications nearly 2,000 years ago, but no nation has ever been able to build a bridge that will carry us over to the Land where Perpetual Peace hath spread her white wings. We fought against autocracy with the vain hope that it would be a war to end wars. We framed the League of Nations and the Kellogg Pact, but we can't praise those bridges because they did not carry us over. We are not only still paying for the World War that was fought, but, as Secretary Hull recently said, "the world is now engaged in paying for a war that has not been fought." Until the threat of that impending struggle has been lifted from our minds and hearts we will continue to have billion dollar defense bills; we will continue to have subsidies for agriculture in lieu of free and open foreign markets for surplus production; we will continue to have relief jobs of Government-made work; we will continue to have group struggles to shift the hardships of life from one group of shoulders to those of another.

We have, in the United States, and have had for many years, a standard of living higher than that of any other country in the world. The people of the United States have been led to believe that we can always have a standard of living higher than that of any other country of the world, but I am not so sure this theory is sound. Certainly, it is not sound if any considerable percentage of the population is looking to the Government to provide it. "Go West" was Horace Greeley's advice to the young men of his day, but we have already gone west and no longer is there free land for either the migrant farm labrorer or the city worker out of a job. The development of rich coal fields, the discovery of rich oil wells brought in new wealth, but in the future we cannot safely depend upon tapping new and hitherto undeveloped natural resources. Farm chemistry may discover new wealth in cornstalks and other farm products now wasted, or means for the profitable manufacture of textiles from soy beans or other vegetable crops, but that is speculative. We can now sit by our own fireside and hear the message of Hitler to the German people at the time it is delivered. And by the same token we can read the economic effect of what he proposes to do on the ticker tape in every broker's office. In a word, the whole world is now one economic unit. All the rest of the world is making sacrifices and it is not clear to me how we can avoid making sacrifices. Under the leadership of Napoleon the people of France made sacrifices for the dream of Napoleon to bring peace to Europe through the domination of all European countries by the French armies. But Waterloo proved the fallacy of a peace based upon the sword. And if Mr. Hitler seeks to bring peace to Germany in the same manner he likewise will meet his Waterloo. Yet the fact remains that without peace there can be no satisfactory standard of living either here or abroad and to achieve peace sacrifices of some type must be made.

When we find a way to build the bridge of peace that will carry us over we will have lifted the shadows from the road ahead and can say in the dying words of our great Stonewall Jackson: "Let us cross over the river and rest in the shade of the trees."

SENATE

THURSDAY, SEPTEMBER 1, 1966

The Senate met at 10 o'clock a.m., and was called to order by the Vice President.

Rev. Lester K. Welch, minister, Christ Methodist Church, Washington, D.C., offered the following prayer:

Our Father, in this destined fraught hour in our national life, we pause to hear what Thy spirit hath to say to our minds at his time. We would be attentive to Thy voice. We would be sensitive to Thy will. We would be obedient to Thy command, and we would ask no favor or glory other than the consciousness of having done that which is right.

We rejoice in the fact that Thou art forever calling us to new and greater expanding horizons of service. Grant us that unanimity of spirit that makes all men brothers in their search for the nobler life. Bless us in our common task to fashion a better America, not only for ourselves but our children's children and those who are yet unborn.

To this cause, our Father, we consecrate ourselves afresh in the great confidence that He who has led us safely thus far shall surely lead us on. In the name of Christ, His Son, we pray. Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, August 31, 1966, was dispensed with.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, informed the Senate that, pursuant to the provisions of section 3, Public Law 88–606, the Speaker had appointed Mr. RIVERS of Alaska as a member of the Public Land Law Review Commission, to fill the existing vacancy thereon, vice Mr. O'BRIEN, of New York, excused.

The message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House had passed, without amendment, the bill (S. 3418) to amend the Peace Corps Act (75 Stat. 612), as amended, and for other purposes.

The message also announced that the House had passed the bill (S. 2338) to authorize the erection of a memorial in the District of Columbia to Gen. John J. Pershing, with an amendment, in which it requested the concurrence of the Senate.

The message further announced that the House had agreed to the amendment of the Senate to the bill (H.R. 4861) to direct the Secretary of the Interior to convey certain lands in Boulder County, Colo., to W. F. Stover.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 12723. An act to amend section 612 (h) of title 38, United States Code, to provide for the furnishing of drugs and medicines to veterans receiving additional pension under old pension law provisions based on need for regular aid and attendance; and

H.R. 15963. An act to establish a Department of Transportation, and for other purposes.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to

the following enrolled bills, and they were signed by the Vice President:

S. 3155. An act to authorize appropriations for the fiscal years 1968 and 1969 for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes; and

S. 3418. An act to amend the Peace Corps Act (75 Stat. 612), as amended, and for other purposes.

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred as indicated:

H.R. 12723. An act to amend section 612(h) of title 38, United States Code, to provide for the furnishing of drugs and medicines to veterans receiving additional pension under old pension law provisions based on need for regular aid and attendance; to the Committee on Labor and Public Welfare.

H.R. 15963. An act to establish a Department of Transportation, and for other purposes; to the Committee on Government Operations.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

AUTHORIZATION OF THE APPROPRIATION OF AN INCREASED CONTRIBUTION BY THE UNITED STATES FOR SUPPORT OF THE INTERNATIONAL BUREAU FOR THE PUBLICATION OF CUSTOMS TARIFFS

A letter from the Secretary of State, transmitting a draft of proposed legislation to authorize the appropriation of an increased contribution by the United States for the support of the International Bureau for the Publication of Customs Tariffs (with an accompanying paper); to the Committee on Foreign Relations.

REPORT OF COMPTROLLER GENERAL

A letter from the Acting Comptroller General of the United States, transmitting, pursuant to law, a report on review of charges for Government-owned quarters at Mount Edgecumbe, Alaska, Public Health Service, Department of Health, Education, and Welfare, dated August 1966 (with an accompanying report); to the Committee on Government Operations.

REPORT ON TORT CLAIMS PAID BY THE PEACE CORPS

A letter from the Director, Peace Corps, Washington, D.C., transmitting, pursuant to law, a report on tort claims paid by that Department, during fiscal year 1966 (with an accompanying report); to the Committee on the Judiciary.

REPORT ON EXPIRATION OF LICENSE ISSUED UNDER FEDERAL POWER ACT

A letter from the Chairman, Federal Power Commission, Washington, D.C., reporting, pursuant to law, on the expiration of a license issued to the Empire District Electric Co., under the Federal Power Act, as of August 31, 1968; to the Committee on Commerce.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. PROXMIRE, from the Committee on Banking and Currency, without amendment:

S. 2973. A bill to permit Edward C. Bower to serve as a director of the Virgin Islands National Bank prior to his obtaining U.S. citizenship (Rept. No. 1584).

By Mr. PROXMIRE, from the Committee on Banking and Currency, with an amendment:

S. 3695. A bill to amend the Small Business Investment act of 1958, and for other purposes (Rept. No. 1585).

By Mr. FULBRIGHT, from the Committee on Foreign Relations, without amendment:

S. 3675. A bill to amend title V of the International Claims Settlement Act of 1949 to provide for the determination of the amounts of claims of nationals of the United States against the Chinese Communist regime (Rept. No. 1586).

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. KUCHEL:

S. 3793. A bill to authorize the Secretary of the Interior to reimburse part of certain fishery permit fees paid to foreign countries by U.S. fishermen; to the Committee on Commerce.

(See the remarks of Mr. KUCHEL when he introduced the above bill, which appear under a separate heading.)

By Mr. JAVITS:

S. 3794. A bill to amend the National Labor Relations Act to give employers and performers in the performing arts rights similar to those given by section 8(f) of such act to employers and employees in the construction industry; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. JAVITS when he introduced the above bill, which appear under a separate heading.)

By Mr. MORSE (by request):

S. 3795. A bill to provide for the regulation in the District of Columbia of retail installment sales of consumer goods (other than motor vehicles) and services, and for other purposes; to the Committee on the District of Columbia.

(See the remarks of Mr. MORSE when he introduced the above bill, which appear under a separate heading.)

By Mr. SCOTT:

S. 3796. A bill for the relief of certain individuals; to the Committee on the Judiciary.

By Mr. MONDALE:

S. 3797. A bill to amend title XVIII of the Social Security Act to permit payment thereunder, in the case of an individual otherwise eligible for home health services of the type which may be provided away from his home, for the costs of transportation to and from the place where such services are provided; to the Committee on Finance.

(See the remarks of Mr. MONDALE when he introduced the above bill, which appear under a separate heading.)

By Mr. TYDINGS:

S. 3798. A bill to provide for an appraisal investigation and study of the coasts of the United States and the shorelines of the Great Lakes in order to determine areas where erosion represents a serious problem; to the Committee on Public Works.

(See the remarks of Mr. TYDINGS when he introduced the above bill, which appear under a separate heading.)

By Mr. ALLOTT (for himself and Mr. DOMINICK) (by request):

S. 3799. A bill to regulate certain procedures of congressional investigating committees; to the Committee on Rules and Administration.

By Mr. CURTIS:

S. 3800. A bill to provide for the payment of expenses incurred by members of the uniformed services in traveling home under emergency leave or prior to shipment outside the United States; to the Committee on Armed Services.

By Mr. MONDALE (for himself, Mr. KENNEDY of New York, and Mr. JAVITS):

S.J. Res. 191. Joint resolution providing for Federal participation in the construction of an addition to the Franklin D. Roosevelt Library as a memorial to Eleanor Roosevelt; to the Committee on Rules and Administration.

By Mr. KUCHEL (for himself and Mr. KENNEDY of New York):

S.J. Res. 192. Joint resolution to preserve the trees within the boundaries of the proposed Redwood National Park until Congress has had an opportunity to determine whether the park should be established; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. KUCHEL when he introduced the above joint resolution, which appear under a separate heading.)

LIMITATION ON STATEMENTS DURING THE TRANSACTION OF ROUTINE MORNING BUSINESS

On request of Mr. MANSFIELD, and by unanimous consent, statements during the transaction of routine morning business were ordered limited to 3 minutes.

A BILL TO PROVIDE REIMBURSEMENT FOR A PORTION OF CERTAIN FISHERY PERMIT FEES PAID TO FOREIGN COUNTRIES BY AMERICAN FISHERMEN

Mr. KUCHEL. Mr. President, the entire American fishing industry is imperiled by the increasing pressure of foreign nations on the fishery resources of the high seas. Off the Pacific coast Soviet factory fleets are plundering the spawning beds of perch and hake on the Continental Shelf, nor have they been strangers to the traditional fisheries of the Atlantic, nor of any other part of the world. Other nations are not far behind in developing their fishing fleets. Indeed, we are reaching the point when all of the nations of the world must either join together to provide for an equitable sharing of the resources of the seas or we must face a growing anarchy, brutal competition for fish supplies, and the kind of piracy we have experienced off the coast of Latin America.

Since the early part of this century, American fishermen have been carefully developing the tuna fisheries of the South Pacific off the western coast of Latin America. I have on many occasions spoken in this Chamber of the problems encountered in recent years by our fishermen in the peaceful pursuit of this activity. In two recent incidents in May of 1966 and December of 1965, naval vessels of Peru, which claims as national waters a zone stretching 200 miles from its coastline, detained and took into port American tuna vessels on the ground that the vessels were invading the Peruvian territorial seas. I have called in vain for measures to prevent recurrence of these highhanded acts, by calling for stoppages of foreign aid and naval protection. Neither recourse has proved availing.

Last year I was joined by a number of my fellow Senators, both Republicans

and Democrats, in successfully offering an amendment to the Foreign Assistance Act of 1965 to provide that no aid would be extended to any country imposing penalties on the U.S. fishing vessels in regions beyond the equivalent territorial limits of the United States. I regret that the House-Senate conferees on that bill weakened the Senate position by simply permitting the President to have discretion in that matter. My amendment was an unequivocating mandate and the intent of the Senate was clear—it is the duty of the American Government to protect fishing vessels on the high seas. But its teeth were pulled in the conference.

Since that time I have been in consultation with the Department of State in an effort to find an equitable solution to this problem. Naval convoy of our fishing vessels would be costly. The administration contends that, in view of our security interests in Latin America, we cannot withdraw aid to nations for interference with our tuna fleet. While I do not necessarily agree with the latter argument, I believe there is another approach which merits attention—a workable system of licensing to include reimbursement for licensing costs incurred in areas where the U.S. Government is unable to protect American fishermen on the high seas.

Following consultation with representatives of the fishing industry, I have drawn up the following proposal which would authorize the Secretary of the Interior to reimburse citizens of the United States for a part of the fishery permit fees paid by them to any foreign country in connection with the employment of American vessels in a traditional fishery of the United States. The cost of this payment would be deferred from duties earned from the gross receipts of custom duties collected on fish and fisheries products entering the United States. My bill would set aside 10 percent of those funds for this purpose, a rate which is estimated to yield about $1½ million annually. It would not alter or interfere with other special uses of these funds. Thus the $300 million tuna industry would be preserved by a tax imposed on competing imports of foreign fish and fisheries products.

It is estimated that 1 ton of tuna landed in the United States yields $1,500 in value to our national income. This industry is critical to the nutrition of the United States and to the population of fishing ports of my own State of California and other States as well. It is vital that we preserve our traditional fisheries in this hemisphere. The United States cannot yield to the claims of foreign nations who wish to extend their fishing limits unreasonably into the high seas. Nor can we impose our views or accept a negotiating position which would prejudice our own hopes for a uniform system of territorial limits.

It should be obvious that we should not and will not continue this conflict in a manner which would bring us into a state of war with any of our neighbors.

The soundest and most economical course is for us to provide a self-supporting system of reimbursement of the costs of fishing in waters claimed by foreign nations, at least until such time as we can make final settlement of the greater international fisheries question.

Mr. President, I introduce the bill to authorize the Secretary of the Interior to reimburse American fishermen for a portion of fishery permit fees paid to foreign countries. I ask unanimous consent that the bill be printed in the RECORD, and I ask that the bill be appropriately referred for consideration.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 3793) to authorize the Secretary of the Interior to reimburse part of certain fishery permit fees paid to foreign countries by U.S. fishermen, introduced by Mr. KUCHEL, was received, read twice by its title, referred to the Committee on Commerce, and ordered to be printed in the RECORD, as follows:

S. 3793

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

AUTHORIZATION

SECTION 1. The Secretary of the Interior (hereinafter referred to as the "Secretary") is authorized to reimburse, in accordance with the provisions of this Act, any citizen of the United States for a part of the fishery permit fees paid by such citizen to any foreign country in connection with the employment of a vessel and fishing gear owned by such citizen in a traditional fishery of the United States. For the purposes of this Act the term "fishery permit fees" shall include a license or other similar fee and related costs. Such reimbursement shall be made upon application therefor. The Secretary may enter into contracts to make such reimbursement over such periods of time, not in excess of one year, as he may determine. Such reimbursement shall be made for amounts paid at any time after the final determination of "traditional fisheries of the United States" pursuant to section 4.

APPLICATIONS

SEC. 2. (a) Application for reimbursement pursuant to this Act shall be in such form and contain such information as is prescribed by the Secretary, including proof satisfactory to the Secretary, that—

(1) the applicant is a citizen of the United States;

(2) the vessel and fishing gear on behalf of which payments to be reimbursed were made is owned by such applicant;

(3) such vessel is documented or certificated under the laws of the United States; and

(4) the payments to be reimbursed were made to fish in a traditional fishery of the United States, as determined pursuant to section 4.

(b) The Secretary shall approve any application which meets the requirements of subsection (a) if he determines that the continued operation of such vessel as a fishing vessel is necessary to promote the flow of domestically produced fishery products in commerce.

(c) When used in this Act, the term "citizen of the United States" includes a corporation if it is a citizen of the United States within the meaning of section 27A of the Merchant Marine Act, 1920, as amended (46 U.S.C. 883–1), and includes a partnership or association if it is a citizen of the United States within the meaning of section 2 of the Shipping Act, 1916, as amended (46 U.S.C. 802).

PAYMENTS

SEC. 3. Payments as reimbursement of fishery permit fees pursuant to this Act shall amount to such percentage, not in excess of 60 and not less than 40, of such fees paid as is determined for each fiscal year by the Secretary on the basis of amounts available for the purposes of this Act and the need for such payments to promote the flow of domestically produced fishery products in commerce. The amount of such payments in the case of each approved application shall be determined on the basis of a final accounting made as soon as practicable after the end of each fiscal year or other period determined by the Secretary. Payments may be made in such amounts as the Secretary may determine, in advance of or after such accounting, but any advance payments shall be made subject to such requirements as will assure return of any overpayments.

DETERMINATION OF TRADITIONAL FISHERIES OF THE UNITED STATES

SEC. 4. (a) The Secretary of State, in cooperation with the Secretary, and in consultation with the affected foreign countries, shall ascertain the extent and manner in which vessels of the United States engaged in fisheries have during such period prceeding the enactment of this Act as is appropriate, conducted their fishery within zones that have as their inner boundary the baseline of the territorial sea of the affected foreign countries and as their seaward boundary a line drawn so that each point on the line is twelve nautical miles from the nearest point on the inner boundary.

(b) Upon the completion of such study, the Secretary shall cause to be published in the Federal Register a general notice of proposed rulemaking and finding with respect to what fisheries of the United States are to be considered for purposes of this Act a "traditional fishery of the United States", and shall afford interested persons an opportunity to participate in such rulemaking and finding through (1) submission of written data, views or arguments, and (2) oral presentation at a public hearing. Such rules and findings shall be published in the Federal Register and shall be accompanied by a statement of the considerations involved in the determination thereof.

FUND AUTHORIZATION

SEC. 5. (a) Effective July 1, 1967, the first sentence of section 32 of the Act entitled "An Act to amend the Agricultural Adjustment Act, and for other purposes", approved August 24, 1935 (7 U.S.C. 612c) is amended by inserting before the period at the end thereof a comma and the following: "except that with respect to gross receipts from such duties on fishery products (including fish, shellfish, mollusks, crustacea, and other aquatic plants and animals, and any products thereof, including processed and manufactured products) such amount shall be equal to 40 per centum thereof".

(b) The Secretary of Agriculture shall transfer to the Secretary of the Interior each fiscal year, beginning with the fiscal year commencing July 1, 1967, and ending with the fiscal year terminating June 30, 1972, from moneys made available pursuant to such section 32 an amount equal to 10 per centum of the gross receipts from duties collected under the customs laws on fishery products (including fish, shellfish, mollusks, crustacea, and other aquatic plants and animals, and any products thereof, including processed and manufactured products), which shall be maintained in a separate fund and shall be available to the Secretary for payments pursuant to this Act.

(c) The Secretary shall make a report to the appropriate committees of Congress annually on the use of the separate fund created under this section.

ADVISORY COMMITTEE

SEC. 6. In carrying out the purposes and objectives of this Act, the Secretary is authorized to appoint an advisory committee composed of representatives of the United States fisheries industry to advise him in the formulation of policy, rules, and regulations pertaining to the applications for payments and other matters material and relevant thereto.

AMENDING THE NATIONAL LABOR RELATIONS ACT TO PROVIDE SPECIAL TREATMENT FOR THE PERFORMING ARTS

Mr. JAVITS. Mr. President, I introduce, for appropriate reference, a bill to amend the National Labor Relations Act to give employers and performers in the performing arts rights similar to those given by the act to employers and employees in the construction industry.

Mr. President, in 1959 the Congress recognized—with bipartisan support—that there are some industries in which the labor force is so transient on a particular job that the ordinary delays inherent in collective bargaining might make labor negotiations practically impossible. This was found to be particularly true in the construction industry. Accordingly, the Congress, in its wisdom, permitted construction unions and construction companies to sign contracts before a particular construction job got underway—thereby permitting the contractor to know his costs in advance and permitting the union to feel secure and not have to engage in work stoppages which could be disastrous to the construction project.

The very same conditions apply in the theater. Theatrical productions often last no longer than construction jobs. In the theater, as in construction, a 30-day delay in the effectiveness of a union shop agreement could completely undermine union security. And a strike on opening night would be a disaster for all concerned. Accordingly, it is my view that the theater is entitled to the same treatment we have previously given construction unions—at least in the two respects I have just mentioned.

This bill would permit unions and employers in the performing arts, as construction unions and construction contractors now lawfully may, first, to sign "prehire agreements," which may become effective before a representative number of employees has been hired, and second, to include, in such agreements, union shop provisions effective after 7 days of employment, in contrast to the 30 day union shop contract customary in other industries.

Mr. President, I ask unanimous consent that the text of this bill be printed in the RECORD at this point.

I also ask consent that the bill be held at the desk for 10 days to permit other Senators to join as cosponsors.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD and held at the desk, as requested by the Senator from New York.

The bill (S. 3794) to amend the National Labor Relations Act to give employers and performers in the performing arts rights similar to those given by section 8(f) of such act to employers and employees in the construction industry, introduced by Mr. JAVITS, was received, read twice by its title, referred to the Committee on Labor and Public Welfare, and ordered to be printed in the RECORD, as follows:

S. 3794

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 8(f) of the National Labor Relations Act is amended by inserting "(1)" and "(f)", and by adding the following subparagraph (2) at the end of subsection (f):

"(2) It shall not be an unfair labor practice under subsections (a) and (b) of this section for an employer engaged primarily in the performing arts to make an agreement covering employees engaged (or who, upon their employment, will be engaged) in the performing arts with a labor organization of which performing artists are members (not established, maintained, or assisted by any action defined in section 8(a) of this Act as an unfair labor practice) because (1) the majority status of such labor organization has not been established under the provisions of section 9 of this Act prior to the making of such agreement, or (2) such agreement requires as a condition of employment membership in such labor organization after the seventh day following the beginning of such employment or the effective date of the agreement, whichever is later: *Provided,* That nothing in this subsection shall set aside the final proviso of section 8(a)(3) of this Act: *Provided further,* That any agreement which would be invalid, but for clause (1) of this subsection, shall not be a bar to a petition filed pursuant to section 9(c) or 9(e)."

REGULATION IN THE DISTRICT OF COLUMBIA OF RETAIL INSTALLMENT SALES OF CONSUMER GOODS

Mr. MORSE. Mr. President, by request I introduce a bill to provide for the regulation in the District of Columbia of retail installment sales of consumer goods, other than motor vehicles and services, and for other purposes.

I ask unanimous consent that there be printed in the RECORD a letter from the District of Columbia Commissioners, signed by President Tobriner, speaking for the Commission, to the President of the U.S. Senate, setting forth the Commissioners' support of the bill, under date of March 25, 1966.

I introduce the bill only for purposes of study on the part of interested people. I will reintroduce the bill this coming January. There is no chance to have any hearings held on the bill before adjournment. But I do think the bill ought to be introduced and appropriately referred so that interested parties will know its contents and be ready to present their respective positions on the bill this coming January.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the letter will be printed in the RECORD.

The bill (S. 3795) to provide for the regulation in the District of Columbia of retail installment sales of consumer goods (other than motor vehicles) and services, and for other purposes, introduced by Mr. MORSE, by request, was received, read twice by its title, and referred to the Committee on the District of Columbia.

The letter, presented by Mr. MORSE, is as follows:

MARCH 25, 1966.

THE PRESIDENT,
U.S. Senate,
Washington, D.C.

MY DEAR MR. PRESIDENT: The Commissioners have the honor to submit a bill "To provide for the regulation in the District of Columbia of retail installment sales of consumer goods (other than motor vehicles) and services, and for other purposes."

In April, 1964, the Board of Commissioners took notice of the case of *Ora Lee Williams* v. *Walker-Thomas Furniture Company* (198 A. 2d 914), decided on March 30, 1964, by the District of Columbia Court of Appeals, involving a relief recipient who had entered into a series of installment contracts with a local merchant. Each of the contracts provided, in fine print, that the payments on such contracts were to be prorated on all purchases made thereunder, and that no title was to vest in the purchaser until all of the contracts were paid in full. The purchaser defaulted on the last few payments under the last of these contracts, and the seller of the goods repossessed all of the items purchased under all of the contracts. The District of Columbia Court of Appeals, in affirming the judgment for the seller in a replevin action against the buyer of the personal property, after commenting on the seller's full knowledge of the financial situation of the buyer (a relief recipient who had to house, feed, and clothe herself and her seven children on a welfare payment of $218 per month), made the following statement:

"We cannot condemn too strongly appellee's conduct. It raises serious questions of sharp practice and irresponsible business dealings. A review of the legislation in the District of Columbia affecting retail sales and the pertinent decisions of the highest court in this jurisdiction disclose, however, no ground upon which this court can declare the contracts in question contrary to public policy. We note that were the Maryland Retail Installment Sales Act, Art. 83 §§ 128–153, or its equivalent, in force in the District of Columbia, we could grant appellant appropriate relief. We think Congress should consider corrective legislation to protect the public from such exploitive contracts as were utilized in the case at bar."[1]

When the foregoing statement by the District of Columbia Court of Appeals came to the attention of the Board of Commissioners, they directed the Corporation Counsel to take appropriate action to draft legislation to deal with the problem. The Corporation Counsel proceeded to organize a drafting committee consisting of representatives of the following organizations: Metropolitan Washington Board of Trade, Bar Association of the District of Columbia, Washington Bar Association, National Business League, Better Business Bureau of Metropolitan Washintgon.

The foregoing soon were joined by representativess of the Washington Urban League, the United Planning Organization, Neighborhood Legal Services Project, the Community Relations Committee of the Jewish Community Council, and numbers of other persons representing various groups and organizations, many of whom joined together to form

[1] The United States Court of Appeals, in *Ora Lee Williams* v. *Walker-Thomas Furniture Company,* decided August 11, 1965 (No. 18604), remanded the case to the trial court for further proceedings, with particular reference to the possible unconscionability of the contracts involved in the case.

an Ad Hoc Committee for Consumer Protection. The bill which has resulted from the extensive deliberations of these participants over a period of nearly two years can be said to represent the thinking of a very broad cross section of the community. A number of the provisions represent compromies between those participating in the preparation of the bill, and, while it is not unanimously approved by its drafters, nevertheless there is general agreement among them that the bill will effectively deal with the most serious problems arising in connection with the sale of consumer goods and services on the installment basis or under a revolving charge account agreement.

The proposed District of Columbia Retail Installment Sales Act is in part patterned somewhat after the Act approved April 22, 1960 (74 Stat. 69; title 40, chap. 9, D.C. Code), relating to the retail installment sales in the District of Columbia of motor vehicles, but adapted to be applicable to the retail sale of consumer goods (other than motor vehicles) and services. Initially, the proposed Act was intended to operate in essentially the same way as the Motor Vehicle Installment Sales Act; that is, it was to be only an enabling act authorizing the Commissioners of the District of Columbia to make detailed regulations relating to the installment sales of consumer goods and services. As work on the proposed Retail Installment Sales Act progressed, the drafting group recognized that if effective protection were to be given to buyers under retail installment sales contracts, it would be necessary for the proposed District of Columbia Retail Installment Sales Act in certain instances to supplement or supersede some of the provisions of the District of Columbia Uniform Commercial Code which became effective January 1, 1965 (hereafter, UCC). Section 28:10–103 of the UCC provides that—

"Except as provided by section 28:10–104, if any provision of law is inconsistent with this subtitle [the UCC], this subtitle shall govern unless this subtitle or the inconsistent provision of the other law specifically provides otherwise."

Unless, therefore, those provisions of the proposed Retail Installment Sales Act which are inconsistent with the UCC specifically negate or supplement any conflicting provisions of that Code, the UCC provision will prevail. Accordingly, sections 5 through 12 of the proposed Retail Installment Sales Act are designed to supplement or to supersede the UCC provisions specified in such sections.

The proposed Retail Installment Sales Act for the District of Columbia is essentially "disclosure-type" legislation; that is, it would enable the Commissioners to make regulations requiring sellers under retail installment contracts to make full disclosure to the buyers of all of the terms of any such contract. To this extent, the proposed legislation is designed to permit the buyer to protect himself against unconscionable business practices by requiring that he have all the facts placed before him by the seller. The bill does, however, require certain actions and prohibits still other actions for the purpose of affording to a buyer protection against practices which may operate to his detriment. These requirements and prohibitions are more fully discussed later in this report.

The short title of the proposed legislation, the "District of Columbia Retail Installment Sales Act", is set forth in the first section of the bill. Section 2 contains a number of definitions of which the more important, since they delimit the scope of the bill, are "retail installment transaction" and "revolving charge account agreement". These respectively read as follows:

"(7) 'Retail installment transaction' means any retail transaction between a retail seller and a retail buyer in which there is an agreement for the purchase of consumer goods or services, or both consumer goods and services, for which the price is to be paid in one or more deferred installments, and such term shall include any transaction involving a contract in the form of a bailment or a lease if the bailee or lessee contracts to pay compensation for the use of the consumer goods which are the subject of such contract and it is agreed that the bailee or lessee is bound to become, or, for no further, or a merely nominal, consideration, has the option, upon full compliance with the provisions of the bailment or lease, of becoming the owner of the consumer goods; except that the term shall not include any retail transaction in which the purchase price is to be paid in full within not more than 90 days from the initial billing date, and no security interest in the consumer goods is retained by the seller and no other collateral or security is required or accepted by the seller, and no service charge or other charge is made as consideration for the deferral of payment or extension of credit.

"(9) Revolving charge account agreement' means an agreement prescribing the terms of retail installment transactions which may from time to time take place thereunder and under which the buyer's periodic unpaid balance is payable in installments."

The exception set forth in the first of the foregoing definitions is intended to exclude from such definition those transactions which are essentially cash transactions, with the full amount to be paid within 30, 60, or 90 days, as the case may be, without a service or other charge, with no retention of a security interest in the consumer goods, and no other security is required or accepted by the seller.

Section 3 provides that the proposed legislation and regulations adopted by the Commissioners pursuant thereto are to be applicable to retail installment transactions which take place and retail installment contracts and revolving charge account agreements entered into on or after the effective date of the bill, notwithstanding any provisions in any such contract or agreement to the contrary.

Section 4 authorizes the Commissioners to make regulations generally designed to deal with unconscionable or deceptive practices which the Commissioners have reason to believe may be engaged in by a relatively few merchants in the District of Columbia, but involving a very considerable number of purchasers, particularly in the lower-income brackets. The provisions of this section are intended to permit the Commisioners to adopt regulations which would require the disclosure of all of the terms of the contract or agreement; the amount of any service charge or a statement of the basis on which any such charge is to be determined; the amounts to be charged for insurance premiums, delinquency charges, attorneys' fees, court costs, collection expenses, and recording or filing fees; and the types and maximum amounts of insurance which may be required of the retail buyer. The Commissioners' regulations may also govern the form, execution, and delivery of promissory notes and other instruments; require, subject to certain exceptions, that payments be in substantially equal amounts to prohibit the so-called "balloon installment";[2] specify the conditions under which contracts and agreements may be cancelled, and provide for the refund of payments and deposits made thereon; permit the acceleration of payments due under a retail installment contract and provide for the refund or crediting of unearned charges; govern the form and procedure to be followed in connection with the consolidation of purchases, and the allocation of installment payments to such purchases; and control the manner and methods of repossessing consumer goods, and the sale or disposition of such goods, including, without limitation, the redemption of such goods. This section also provides that no provision shall be inserted in any retail installment contract or revolving charge account agreement which will nullify and make ineffective the provisions of the bill or of the regulations adopted under its authority.

Section 5 is intended to limit the circumstances under which payments owed under a retail installment contract or revolving charge account agreement may be accelerated by the seller of the goods or services, the assignee of the contract or agreement, or the holder of a note arising out of such contract or agreement. These circumstances are the following:

1. The buyer has failed to make a payment or to perform in a manner required by such contract or agreement;

2. The buyer is evading the service of ordinary process by concealing himself or temporarily withdrawing himself from the District;

3. The buyer has removed or is about to remove some or all of his property from the District, so as to defeat just demands against him;

4. The buyer has assigned, conveyed, disposed of, or secreted, or is about to assign, convey, dispose of, or secrete his property with intent to hinder, delay, or defraud his creditors; or

5. The buyer fraudulently contracted the debt or incurred the obligation.

Section 6 authorizes the making of regulations by the Commissioners which would facilitate the buyer's establishing that the consumer goods or services he received were not those he contracted to buy, if such should be the case. The Commissioners have been informed of cases where the buyer did not receive the consumer goods for which he originally contracted; rather, he received a different and sometimes inferior product. Accordingly, this section provides that the Commissioners may by regulation require that retail installment contracts contain a more detailed description of such goods or services than is required by section 28:9–110 of the UCC, which merely provides that—

"For the purposes of this article [9-Secured transactions; sales of accounts, contract rights and chattel paper] any description of personal property or real estate is sufficient whether or not it is specific if it reasonably identifies what is described." (Bracketed language added).

Article 9 of the UCC in section 28:9–203(2), provides that—

"A transaction, although subject to this article, is also subject to chapter 20 of Title 2, relating to pawnbrokers, chapter 6 of Title 26, relating to moneylenders, chapter 7 of Title 40, relating to liens on motor vehicles and chapter 9 of Title 40, relating to installment sales of motor vehicles, and in the case of conflict between the provisions of this article and any such statute, the provisions of such statute control. Failure to comply with any applicable statute has only the effect which is specified therein."

In order, therefore, to provide that the proposed Retail Installment Sales Act will, to the extent of any conflict, supersede the provisions of article 9 of the UCC, section 7 of the proposed Retail Installment Sales Act amends section 28:9–203(2) of the UCC by inserting a reference to the proposed Act.

Section 8 is designed to supersede section 28:9–204 of the UCC. Under that section, a security agreement may provide that collateral, whenever required, can secure all obligations covered by such security agreement.

[2] A "balloon installment" is any installment—usually, but not necessarily, the final installment—which substantially exceeds the amount of any prior installment. Curran, Trends in Consumer Credit Legislation 97 (American Bar Foundation).

This provision of the UCC would allow a seller to include in a retail installment contract a provision that all goods acquired after the date of such contract shall be collateral to secure the obligation thereunder. In the belief that the application of this provision of the UCC could result in an unconscionable practice, section 8 provides that notwithstanding the cited section of the UCC—

". . . the consumer goods which are the subject of a retail installment contract shall serve as security only for the obligation arising out of the sale of such goods and related collection and default charges, and such goods shall not be made to secure any past or future advance or obligation of the buyer to the seller or to seller's assignee."

Section 9 provides that no retail installment contract or revolving charge account agreement may contain a provision by which the buyer agrees not to assert against an assignee a claim or defense arising out of the sale of the goods or services which are the subject matter of such contract or agreement. It also includes provisions stating that no claim or defense which would be cut off by negotiation is to be cut off by a provision in the contract or by transfer or negotiation to any third person of the contract or of a related promissory note unless such contract or note is accompanied by a certificate. This certificate, to be in such form as the Commissioners may by regulation prescribe, must be signed by both the buyer or seller or their respective representatives, stating that the consumer goods have been delivered to and received by the buyer or his representative and *appear* to be those consumer goods which were purchased. If the contract is one for services, such certificate must state that they have been completely performed in accordance with the terms of the contract. This section also provides that if a note be taken by the seller under a retail installment contract, such note shall refer to the contract, "and no subsequent holder shall be entitled to hold such note as a holder in due course unless the note or the contract out of which the note arose is accompanied by the [required] certificate". Thus, a holder of a note arising out of a retail installment contract is put on notice of that fact, and is not considered to be a holder in due course unless such contract is accompanied by the executed certificate indicating that the goods have been delivered or the services have been performed in accordance with the terms of such contract.

Section 9 further provides, however, that the execution of such certificate by the buyer does not estop him from asserting against the seller such defenses as the buyer may have against the seller. This would be in addition to any real defenses the buyer may have against the seller or any subsequent holder—those defenses which exist when a negotiable instrument lacks legal efficacy in its inception, as, for example, where there was forgery, where there was fraud in the execution, or where there was an illegality which makes the security void, as opposed to voidable.

Section 10 not only provides that a buyer shall be given a written receipt for any payment when made in cash, but also requires the seller or the holder of the contract to forward the buyer, at his written request, a written statement of the total amount of payments made by him or on his behalf during a period not exceeding three years prior to the date of the buyer's request. Such a statement is to be given the buyer without charge not more than once every six months, with additional statements to be made available at a charge not in excess of one dollar for each such additional statement. This section is designed to supersede section 28:9–208 of the UCC which, although providing that a debtor is entitled to a statement once every six months without charge, allows a charge of ten dollars for each additional statement.

Section 11 is designed to supplement section 28:9–504 of the UCC, governing the disposition of collateral after the debtor's default under a security agreement, by which is meant an agreement which provides for a security interest. A retail installment contract providing for such interest would be subject to the provisions of this section of the UCC. In case of any default by the buyer, the secured party under such agreement would be entitled to repossess the goods which were the subject of such contract. Section 28:9–504 provides that the secured party may sell, lease or otherwise dispose of any or all of the collateral. The proceeds of disposition are to be applied first to—"the reasonable expenses of retaking, holding, preparing for sale, selling and the like and, to the extent provided for in the agreement and not prohibited by law, the reasonable attorneys' fees and legal expenses incurred by the secured party."

This provision of the UCC seems to limit the demands which may be made on the defaulting buyer for the expenses specified in the quoted language to a sum which does not exceed the amount realized from the disposition of the collateral. However, in order to emphasize that this is the case, section 11 of the proposed Act provides that notwithstanding section 28:9–504 of the UCC—

". . . no debtor shall be liable for such expenses, attorneys' fees and legal expenses arising out of the retaking, holding, or resale of such goods as may exceed the amount realized from the sale of the collateral, nor shall any debtor be liable for any deficiency remaining after the disposition of the collateral in excess of the balance which, at the time of repossession of such collateral, remained unpaid under a retail installment contract or revolving charge account agreement . . ."

This section further provides, however, that nothing in it is to be construed to relieve the debtor of liability for reasonable costs in connection with the collection of a deficiency allowed to be recovered under the Act.

Section 28:9–507 of the UCC provides, among other things, that a debtor may recover from the secured party any loss caused by the failure of the secured party to comply with the provisions of part 5 of article 9 of the UCC, relating to procedures in case of default under a security agreement, with particular reference to the disposition of collateral. In an action brought by a debtor under the authority of paragraph (1) of this section to recover "an amount not less than the credit service charge plus ten per cent of the principal amount of the debt or the time price differential plus ten per cent of the cash price", section 12 of the proposed Act provides that "the prevailing party shall be entitled to reasonable attorneys' fees and legal expenses incurred by him which shall not, in the aggregate, exceed fifty per centum of the amount in issue. . . ." This section of the bill has for its purpose the providing of some incentive on the part of the buyer to proceed against the seller or the holder of the contract or the note arising out of such contract in those cases in which there is failure to observe the requirements of the applicable provisions of the UCC relating to the disposition of collateral. At the same time, the section is designed to discourage any such action by the buyer merely for a frivolous reason or for the purpose of harassing the seller of the goods or the holder of the contract or note, as the case may be.

Section 13 authorizes the Commissioners to delegate, with power to redelegate, any of the functions vested in them by the proposed Act, with the exception of the function of making regulations to carry out the purposes of the Act. Section 14 provides that no such regulation shall be adopted by the Commissioners until after a public hearing has been held on it. Section 15 provides that no person shall knowingly include any false information in any statement required or authorized by either the Act or the regulations adopted pursuant thereto. Section 16 provides a penalty of $500 or imprisonment for not more than six months, or both such fine or imprisonment, for the willful violation of any provision of the proposed Act. This section further provides that prosecutions for such violation shall be by the Corporation Counsel.

In addition to the criminal penalty provided by section 16 of the proposed Act, section 17 provides that in the case of failure by a seller to comply with the Act (except where there is inadvertence or a bona fide error), the seller is to be barred from recovering any service charge and any delinquency, collection, extension, deferral, or refinance charge which may be imposed in connection with a retail installment contract or revolving charge account agreement. This section further provides that the buyer is to have the right to recover from the seller an amount equal to any of such charges paid by the buyer either to the seller or to a subsequent holder, plus a reasonable attorney's fee not exceeding the amount recovered. This section is not, however, to be construed as relieving the buyer from paying to the seller or a subsequent holder of the contract or note an amount equal to the cash price of the consumer goods or services and the cost to the seller of any insurance included in the transaction.

Section 18 provides that the proposed Act is to be deemed to be additional and supplementary to the authority and power now vested in the Commissioners, and not to limit such authority and power. Section 19 is a separability provision, and section 20 provides that the effective date of the proposed Act shall be the first day of the first month which begins more than ninety days after the date of its approval.

The Commissioners believe that the attached proposed legislation will permit them to deal effectively with most of the problems arising from the practices of a relatively few merchants in connection with the sale of consumer goods and services on the installment basis. The Commissioners recognize that the bill does not deal with all of the problems which could be involved in sales of this kind. For example, the bill makes no provision for the licensing of sellers under arrangements of this kind, in the belief that any such requirement, at least at this stage, would be extremely burdensome in relation to the benefits which might be achieved. Neither does the bill establish maximum rates for credit service charges which may be made on installment sales or under revolving charge account agreements. The Commissioners do not feel it necessary, at this time, to recommend legislation dealing with these aspects of the problem. They prefer to withhold any such action until experience has indicated whether the attached proposed legislation can deal adequately with the problems arising out of the sale of consumer goods and services on the installment basis. Should experience indicate that some further action is indicated, the Commissioners plan, at such time, to review the matter to determine whether to recommend appropriate legislation. In the meantime, however, the Commissioners strongly urge the enactment of the attached draft bill as an initial step to deal with those problems in the retail installment sales field which they believe stem from the unconscionable merchandising practices of a relatively few of the merchants doing business in the District of Columbia.

Sincerely yours,

WALTER N. TOBRINER,
President, Board of Commissioners, D.C.

REIMBURSEMENT TO MEDICARE PATIENTS OF CERTAIN TRANSPORTATION EXPENSES

Mr. MONDALE. Mr. President, I introduce, for appropriate reference, a bill providing reimbursement to medicare patients for expenses incurred in obtaining transportation to and from a hospital or rehabilitation center for purposes of receiving the care of a therapist.

Essentially, this proposal is a simple, though significant, amendment to the program of health insurance for the elderly enacted by this Congress last year—Public Law 89–97.

As you know, Mr. President, the medicare bill provides, under both parts A and B, that an individual patient may receive a variety of types of rehabilitation therapy either in an appropriate institution or at home. My proposal seeks to enhance these important provisions in the original legislation by utilizing more efficiently and, therefore, more wisely the therapists' time. By making it possible for patients to travel to and from such centers at no personal expense, we will make it possible not only for therapists to serve a greater number of elderly patients, but also to offer to all their patients a higher quality of therapeutic assistance. All that is involved in this proposal is the elimination from Public Law 89–97 of the phrase stating that expenses for such therapeutic treatment can be paid by the program "but not including transportation of the individual in connection with any such item or service."

Every Member of the Senate is aware of the dire shortage of adequately trained and qualified medical personnel in this country. The probable worsening of that situation in the years just ahead is already too well documented. I sincerely believe that every possible step must be taken now to assure the fullest utilization of our medical manpower, thereby fulfilling the great promise which the medicare program holds.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 3797) to amend title XVIII of the Social Security Act to permit payment thereunder, in the case of an individual otherwise eligible for home health services of the type which may be provided away from his home, for the costs of transportation to and from the place where such services are provided, introduced by Mr. MONDALE, was received, read twice by its title, and referred to the Committee on Finance.

BILL AUTHORIZING THE ARMY CORPS OF ENGINEERS TO UNDERTAKE AN APPRAISAL REPORT OF THE U.S. TIDAL AND GREAT LAKES SHORELINE

Mr. TYDINGS. Mr. President, I introduce, for appropriate reference, a bill that would authorize the Army Corps of Engineers to initiate a 3-year, $1 million appraisal report of our national tidal and Great Lakes shoreline, and ask that it lay on the table for 1 week for the convenience of other Senators who may wish to join as cosponsors.

Mr. President, the length of our national and Great Lakes shoreline exceeds 93,000 miles. This figure is almost one-half the distance to the moon and is slightly less than four times the circumference of the earth. Virtually every inch of this shoreline is the site of an ancient battle, the struggle between land and sea. Sometimes this conflict receives wide publicity, as in the aftermath of a severe coastal storm. It is then that we sadly read of the great human misery, loss of life, and destruction of property that accompanies these natural onslaughts. Yet, it is unrealistic to believe that storms alone are the major cause of severe coastal erosion. Indeed, in many areas of the United States it is the day-to-day erosion process—the hour-by-hour battle between land and sea—that is frequently the primary source of devastating coastal damages. The New York Times, for example, in its July 16 issue, carried an article entitled "The Atlantic Continues To Eat Away at a New Jersey Community After Claiming a Fourth of It."

This is the story of Cape May, a small community similar to many found along our coast. The relentless forces of the Atlantic have inflicted severe losses on the town. Two Roman Catholic convents, two lighthouses, a Coast Guard radar station and nearly a fourth of the land area of the town have been claimed by the sea. Cape May faces the same fate of the nearby borough of South Cape May which fell into the Atlantic less than 50 years ago, leaving only the road that led to it.

Many other areas of the United States are suffering similar annual losses. Each year, my own State of Maryland loses approximately 300 acres of land. This loss results not only in a decrease in acreage, but also in a reduction of agricultural, industrial, and recreational potential. Such losses, of course, diminish both the State and local tax base. The barrier beaches of North Carolina are under attack from both the daily erosion process and an occasional severe storm. It is estimated that if the forces of erosion remove this natural coastal defense, 1.5 million acres of forest and farmland will be destroyed. A fait accompli is demonstrated by Sharps Island in the Chesapeake Bay. In 1848, this island was 438 acres; today, erosion has reduced this to a mere sand bar.

Mr. President, we cannot afford these losses.

Recent Federal studies indicate that the normal, day-to-day coastal erosion process causes more than $31 million of damages yearly along the coastal region extending only from Texas to New England. This is a conservative estimate for this region, because it does not include any damages occurring on the Florida coast. Major storms and hurricanes along the Atlantic and gulf coasts annually inflict damages totalling approximately $83.3 million. Yet much of this damage would be prevented by the installation of proper protective structures.

Navigation, too, is seriously affected. Coastal erosion processes continually loosen and transport large quantities of beach materials. In many regions, the eroded materials tend to accumulate in harbors and shipping lanes, greatly hindering water transport. Approximately $11 million is spent annually for the removal of shoaling in the Gulf Intercoastal Waterway and in the tidal areas of the Charlestown, Columbia, Mississippi, and Savannah estuaries. A significant amount of this shoaling is attributable to coastal erosion.

Public and private recreational facilities also are severely damaged by shoreline erosion. Population trends indicate that the number of Americans living near the shore is continually increasing. Twenty-five percent of our population lives within 50 miles of the coast. Within 30 years, this population can be expected to double. All of us know that each year a greater number of people visit our beaches. The beaches of New Jersey are accessible to over 25 million people, and California's 5 largest cities are all within 20 miles of the ocean. With the ever-increasing demand for these recreational facilities, our shorefront losses become more expensive with each season.

Coastal erosion damages are not limited to one section of the country. Every region of our Nation is scarred by this process. Tillamook Bay, Oreg., has been the sight of considerable coastal erosion damages. Over 1,000 acres of valuable oyster beds have been destroyed. Parts of Tillamook Bay have been overrun by the sea, resulting in destruction of houses, roads, and utility lines. The damages in Mississippi occurring from just one storm have been described by a House document as having "undermined and destroyed a considerable portion of the pavement of U.S. Highway 90. Also destroyed were all the piers along the Harrison County shore, numerous homes, tourist cottages, seafood canneries, bridges, cafes, and other structures. The total damage from this storm along the Mississippi Gulf coast has been estimated at $18 million." Properly designed protective devices could have prevented a significant amount of these damages. In California, sections of the Port Hueneme shoreline receded 700 feet over a 10-year period. The Lake Erie shorefront of Ohio has been the scene of severe damages. Over a 20-year period, coastal erosion inflicted damages in excess of $18.5 million, destroying beaches, summer cottages, parks, and playgrounds. This figure does not even include the losses in Cleveland and Cuyahoga County.

We know much about the mechanics of the coastal erosion process. The forces of waves, winds, and currents are continually eating away at our beaches and coastlines. This deterioration is intensified by chemical weathering of the coastal materials. Littoral and other currents transport a significant amount of sand and eroded materials along a path that tends to parallel the shoreline.

For many areas of our coast, the amount of material that is removed by these forces is counterbalanced by the arrival of materials from another area. Thus, a dynamic stability exists, and there is no significant net change in the

coastal contour. In many regions, however, these two flows are unequal and an accretion or depletion of the shore results. Coastal erosion thus represents the net removal of beach materials from a given region. In many areas, coastal erosion constantly occurs, with storms tending to accelerate the rate of depletion. In other regions, normal coastal processes enlarge the beaches. However, even in these sections, one storm may remove an amount of material far in excess of what has been gradually accumulated, and erosion occurs.

Thirty States have tidal or Great Lakes shorelines. A breakdown of our coastline shows that our Atlantic States have a total tidal shoreline of 28,673 miles. Our continental Pacific States tidal shoreline totals 7,863 miles, while the Gulf States have a tidal shoreline of 17,141 miles. Alaska and Hawaii have tidal shorelines of 33,904 miles and 1,052 miles, respectively. The aggregate tidal shoreline of our Great Lakes States is approximately 4,776 miles. The total shoreline is in excess of 93,000 miles.

Mr. President, as I have pointed out, many regions of this coast are endangered by the erosion process. I feel action must be taken now to abate this costly advance of the sea.

The Federal Government has taken some action to help mitigate the ravages of coastal erosion. For example, the Government finances a substantial amount of research in this field. The Corps of Engineers is a pioneer in coastal erosion research. Their Coastal Engineering Research Center, located here in Washington, is increasing continually our knowledge of the mechanics of the erosion process and furthering our ability to protect our coasts. In addition to research, the Federal Government, under certain conditions, offers direct financial assistance for the construction of protective works on non-Federal property. The costs of works on Federal property are, of course, entirely federally funded. Our Government also sponsors coastal erosion studies of particular problem areas. Any of the 30 coastal States may request that the corps undertake an erosion study of a particular region along its shore. Each study concerns itself with a physiographic unit that is generally much smaller than the State's entire shoreline. Since 1930, a number of States have partaken in this program. They include Alabama, California, Georgia, Illinois, New Hampshire, New Jersey, Ohio, Texas, and Wisconsin. Approximately 23,000 miles of shoreline have or are presently being studied. But this leaves over 70,000 miles of coastline that have yet to be appraised. We simply do not know the extent of erosion along these shores.

A number of coastal States have promulgated their own programs to help with the problem. Maryland offers the private property owner direct financial assistance to lessen the burden imposed by the great costs of protective works. The State also provides advisory and technical assistance to the individual property owner. Ohio, Washington, and Connecticut have similar assistance programs. North Carolina, much to her credit, has undertaken a research program concerning the use of dunes for beach stabilization purposes.

Yet, despite such Federal and State activity, coastal erosion continues to inflict great damages upon our Nation. These damages, representing both social and economic losses, are difficult to measure precisely. We do know, however, that the present rate of destruction is so large that it can no longer be tolerated. The need for action is clearly evident. My bill, I believe, would be the essential first phase of this action.

Unfortunately, for a substantial percentage of our shoreline, insufficient information makes it impossible to take constructive action. We need to know more about many regions of the diverse coastline of New England, of the sandy beaches of the gulf and Pacific coasts, of the coral shores of the Hawaiian Islands, and of the tidewater backshore of the Carolinas. Maine, for example, has approximately 3,000 miles of eroding shoreline about which we know little. The corresponding figure for South Carolina is 2,000 miles, for Georgia 1,000 miles, for Louisiana 7,000 miles, for Texas 3,000 miles, for Washington 3,000 miles, for Alaska 5,000 miles, for Michigan 2,800 miles, for Massachusetts 1,000 miles, and for Oregon 1,000 miles. These are but a few of the many States with an actively eroding coast. In total, there are over 33,000 miles of shoreline that are experiencing significant degrees of coastal erosion and have not yet been investigated. Before we can even begin to appreciate the exact nature of the problem, much less take remedial action, we must obtain more information about these regions. This appraisal report would gather this information and would be the essential first step toward the ultimate solution.

One of the primary functions of this report would be to establish a priority system for future remedial action. Some areas of our unstudied shore are so impervious to the forces of erosion that no investigation is necessary. An example of such a region is the Bering Sea coastline of Alaska. However, as I have already stated, at least 33,000 miles of our shoreline are so vulnerable to the erosion process as to merit at least an investigation. A priority system would enable us to determine which of these areas demands the most immediate attention. Many factors will be taken into consideration when establishing the priority system. The physical rate of deterioration will be considered, as well as the economic, industrial, recreational, and agricultural losses attributable to the erosion. Furthermore, estimates of future population concentrations will play a significant role in determining the immediacy of the problem.

In addition to defining the magnitude of the problem, the report will include a general description of the most suitable type of remedial action. This description will not provide specific technical data, but rather a broad solution to the regions' problem. For some areas, the appraisal might indicate that a revetment would be the most effective protective measure. For other sections, a groin system, bulkhead, or jetty may be recommended. For still other regions, periodic beach nourishment or dune creation may be preferable.

No matter what form the recommended remedial measure may take, the estimated cost of the project will be included. For many areas, we can expect that the benefits resulting from the completed remedial structures will far exceed the estimated cost of the project: In these instances, a more detailed, technical study should be undertaken, leading to formulation of specific construction plans. For other regions, the extent of damages caused by the erosion may be less than the costs that must be incurred to prevent the encroachment of the sea. For these situations, no immediate action beyond this appraisal would be justified. It is only by these preliminary conclusions regarding the economic feasibility of the remedial works that a sensible, long-range coastal erosion abatement program can be enacted. Because coastal protection is exceptionally expensive, we should not plan to halt every inch of erosion taking place on our shore. Rather we can afford to stop only that erosion where the benefits gained outweigh the costs of the protective works. This appraisal report will greatly aid us in determining which areas merit protection.

In addition to providing this needed information, the appraisal would be an important step toward the establishment of a comprehensive inventory of existing structures, something very worthwhile in its own right. It is almost beyond belief that such a tabulation does not presently exist.

The appraisal would also provide information that would assist greatly the efforts of local governments to establish suitable zoning laws and building codes. Frequently, individuals, although possessing good intention, unknowingly take action that can only lead to coastal erosion damages. Ignorance is often manifested in the wanton bulldozing of protective dunes or the building of dwellings too near the shore.

Developers of ocean front properties often remove the protective dunes that are found along many of our beaches. Such action destroys nature's most effective means of defending the coastline. As soon as storm waves begin attacking these undefended shores, rapid erosion and flooding generally occur.

A lot by lot approach to the coastal erosion problem is another unfortunate occurrence that can only lead to unnecessary erosion damages. The forces of nature do not recognize private property lines. Any solution to a coastal erosion problem must consider the entire physiographic unit involved and not just a minor section of the shoreline. Many private property owners attempt to stop erosion along their shores without considering the effects of such action on their neighbor's property. Frequently, one individual's attempt to stabilize his

shorefront only leads to a new erosion problem along the shoreline adjacent to his. Appropriate codes and laws would prevent this lack of knowledge from leading to these needless tragedies.

This appraisal report will cost $1 million and will be completed within 3 years. I believe we must not only acknowledge the national scope of the coastal erosion problem, but begin to take the national action required for its solution.

Mr. President, I ask unanimous consent that the text of the bill be printed at this point in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD, and held at the desk, as requested by the Senator from Maryland.

The bill (S. 3798) to provide for an appraisal investigation and study of the coasts of the United States and the shorelines of the Great Lakes in order to determine areas where erosion represents a serious problem, introduced by Mr. TYDINGS, was received, read twice by its title, referred to the Committee on Public Works, and ordered to be printed in the RECORD, as follows:

S. 3798

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Chief of Engineers, Department of the Army, under the direction of the Secretary of the Army, shall make an appraisal investigation and study, including a review of any previous relevant studies and reports, of the Atlantic, Gulf and Pacific coasts of the United States, the coasts of Puerto Rico and the Virgin Islands, and the shorelines of the Great Lakes, including estuaries and bays connected with such lakes, for the purpose of (1) determining areas along such coasts and shorelines where significant erosion occurs; (2) identifying those areas where erosion presents a serious problem because the rate of erosion, considered in conjunction with economic, industrial, recreational, agricultural, navigational, demographic and other relevant factors, indicates that action to halt such erosion may be justified; (3) describing generally the most suitable type of remedial action for those areas that have a serious erosion problem; (4) providing preliminary cost estimates for such remedial action; (5) recommending priorities among the serious problem areas for action to stop erosion, and (6) providing State and local authorities with information and recommendations to assist the creation and implementation of State and local coasts and shoreline erosion programs. The Chief of Engineers shall submit to the President, the Congress, and the States, as soon as practicable, but not later than three years after the date of enactment of this Act, the results of such appraisal investigation and study, together with his recommendations.

SEC. 2. There are authorized to be appropriated such amounts, not to exceed $1,000,000, as may be necessary to carry out the provisions of this Act.

ALLIED HEALTH PROFESSIONS PERSONNEL TRAINING ACT OF 1966—AMENDMENTS

AMENDMENT NO. 787

Mr. JAVITS. Mr. President, I send to the desk an amendment to H.R. 13196, the Allied Health Professional Personnel Training Act of 1966. My proposal is directed at helping to relieve the critical—and growing—nurse shortage which is seriously threatening patient care throughout the Nation. I am introducing it as an amendment to a related, House-passed measure in order that the Congress might have an opportunity to act this year on one of the Nation's most pressing health problems.

My amendment would: First, establish a new scholarship program for needy nursing students; second, a new program to encourage young people to enter into the nursing profession; third, expand construction of nursing schools; and fourth, increase nursing school teaching improvement grants. The additional cost to the Government for all aspects of this program would be $21.1 million in the current fiscal year.

The nursing shortage is widespread and universal, striking both affluent and nonaffluent communities, the cities, the suburbs and the rural areas, seriously threatening patient care throughout the Nation. The life or death aspects of this critical problem were amply illustrated in recent newspaper reports on conditions in New York City municipal hospitals. In these articles physicians reported that practical nurses were forced to run entire wards on afternoons, evenings, and weekends due to the shortage of registered nurses, despite the fact that by law, practical nurses must work under the supervision of registered nurses. In some hospitals practical nurses were covering up to 12 wards apiece on some days without any supervision, presenting grave dangers to the health of patients.

The Department of Health, Education, and Welfare estimates the nurse shortage at 125,000. In New York City, for example, 25 percent of the registered nursing positions in 150 private hospitals are unfilled. For the city's 21 municipal hospitals, the situation is more drastic—60 percent of the positions are unfilled. The U.S. Army itself is short 3,650 nurses. A few years ago, it was estimated that 850,000 nurses would be needed by 1975; there is now some indication that this estimated need will be revised upward to 1 million. The legislation I am introducing today is designed to mobilize the resources needed to meet this shortage now, before it worsens.

The scholarship program envisioned by my bill is patterned after the educational opportunity grant program enacted last year by the Congress as a part of the Higher Education Act of 1965. By following this established pattern, I hope to minimize the controversy which might surround the establishment of a new program. Funded at $5 million for the current fiscal year, $10 million is authorized for each of fiscal years 1968 and 1969. Recipients of nursing scholarships would receive up to $800 annually, based on need, and those who prove themselves by ranking in the upper half of their nursing class would be awarded an additional $200. Nursing students could meet the balance of their schooling costs through the loan program established by the Nurses Training Act of 1964.

Federal scholarships for student nurses is one of the few remaining unfilled recommendations of the Surgeon General's Consultant Group on Nursing which issued its report, "Toward Quality in Nursing—Needs and Goals," in February 1963. Other principal recommendations in the report were brought to fruition in the Nurses Training Act of 1964.

The provision to encourage young people to enter nursing school is also patterned after a similar provision in the Higher Education Act of 1965. Under this part, the Secretary of Health, Education, and Welfare can enter into contracts with State and local educational agencies and other public or nonprofit organizations, for up to $100,000 annually, to encourage young people to undertake educational training in the field of nursing. Entries into nursing school are decreasing. To illustrate, in 1955, six girls were admitted to college for every one admitted to a professional nursing program of any type. By 1964 this ratio has changed to 9 to 1.

This amendment will be especially useful in recruiting young Negro girls for nursing. Although 11 percent of the population, Negroes comprise only 5 percent of the nursing profession. Nursing offers an excellent opportunity for these young people to expand their horizons and to fill a national need.

My amendment also expands the nursing school construction grants authorized by the Nurses Training Act of 1964, increasing the fiscal year 1967 authorization from $25 million to $40 million and increasing the fiscal year 1968 authorization from $25 million to $50 million. I propose leaving the fiscal year 1969 authorization open, so that Congress and the administration will be obliged to review the entire act a year earlier and thus evaluate and meet the needs as they appear at that time.

This expansion is very much needed. The Public Health Service indicates that if all the nursing school construction now authorized by law is completed, there still would be a shortage of at least 41,300 first-year places in nursing schools by 1972. Presently indicated requests for nursing school construction funds for the next 3 years are already $22.5 million beyond the amounts now authorized by law. And the actual needs are still greater. The Public Health Service tabulates the need for Federal construction funds for fiscal year 1969 at $284 million; for fiscal year 1970 at $154 million; for fiscal year 1971 at $206 million and $82 million for fiscal year 1972.

Another amendment to present law contained in my proposal would permit funds authorized for associate degree and diploma programs to be interchangeable with funds for baccalaureate and higher degree programs in instances where one program has insufficient applications and the other is underfunded. In practice, this would aid the 4-year schools where experience has shown that requests for

construction funds are in excess of the authorization and requests for diploma programs, on the other hand, fall short of the authorization.

Finally, to meet the needs of additional nursing schools, my proposal amends the Nurses Training Act to increase from $4 million to $5 million the authorization for teaching improvement grants for fiscal year 1968 and $5 million for fiscal year 1969. These grants enable public and nonpublic collegiate, associate degree, and diploma schools of nursing to strengthen, improve, and expand their programs of nursing education.

Because of the desperate need for a great number of highly trained nurses, today, and the certain acceleration of that need in the years ahead, I hope that the Senate will act favorably on this proposal.

The VICE PRESIDENT. The amendment will be received, printed, and appropriately referred.

The amendment (No. 787) was referred to the Committee on Labor and Public Welfare.

APPOINTMENTS BY THE VICE PRESIDENT

The VICE PRESIDENT. The Chair, pursuant to Senate Resolution 276, agreed to on Thursday, July 28, 1966, appoints Senators J. W. FULBRIGHT, EDMUND S. MUSKIE, and PAUL J. FANNIN to attend the Commonwealth Parliamentary Association Meeting, Ottawa, Canada, September 28 through October 4, 1966.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, September 1, 1966, he presented to the President of the United States the following enrolled bills:

S. 3005. An act to provide for a coordinated national safety program and establishment of safety standards for motor vehicles in interstate commerce to reduce accidents involving motor vehicles and to reduce deaths and injuries occurring in such accidents;

S. 3052. An act to provide for a coordinated national highway program through financial assistance to the States to accelerate highway traffic safety programs, and for other purposes;

S. 3155. An act to authorize appropriations for the fiscal years 1968 and 1969 for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes; and

S. 3418. An act to amend the Peace Corps Act (75 Stat. 612), as amended, and for other purposes.

WATERSHED PROJECTS APPROVED BY THE COMMITTEE ON PUBLIC WORKS

Mr. RANDOLPH. Mr. President, in order that the Members of the Senate and other interested parties may be advised of various projects approved by the Committee on Public Works, I ask unanimous consent for inclusion in the CONGRESSIONAL RECORD, information on this matter.

There being no objection, the information was ordered to be printed in the RECORD, as follows:

Projects approved by the Committee on Public Works on Aug. 30, 1966, under the Watershed Protection and Flood Prevention Act, Public Law 566, 83d Cong., as amended

Project	Estimated Federal cost
Bridge Creek–Ochlocknee River, Georgia	$888,059
Euharlee Creek, Georgia	1,928,300
Pine Log Tributary, Georgia	2,921,306
Sallacoa Creek Area, Georgia	3,744,150
Indian Creek, Indiana	1,204,499
Upper Big Blue River, Indiana	3,560,125
Three Mile Creek, Iowa	1,364,490
Upper Black Vermillion, Kansas	3,955,200
Cypress Black Bayou, Louisiana	4,070,885
Upper Bayou–Nezpique (Supplemental), Louisiana	4,445,248
East Branch of Sturgeon River, Michigan	198,443
Houlka Creek, Mississippi	3,393,227
Tallahaga Creek, Mississippi	2,387,440
Crow and Broad Canyons and Placitas Arroyo, New Mexico	2,890,885
Boundary Creek, North Dakota	1,180,899
Middle Branch Park River, North Dakota	2,473,091
South Fork Roanoke River, Virginia	1,950,096
Potomac Creek, Virginia	656,089
Otter Creek, Wisconsin	866,463
Total	44,078,895

EXECUTIVE SESSION

On request of Mr. MANSFIELD, and by unanimous consent, the Senate proceeded to consider executive business.

The VICE PRESIDENT. If there be no reports of committees, the nomination on the Executive Calendar will be stated.

NATIONAL LABOR RELATIONS BOARD

The legislative clerk read the nomination of Gerald A. Brown, of California, to be a member of the National Labor Relations Board.

Mr. DOMINICK. Mr. President, I should like to make a brief statement on this matter.

Several of us on the Committee on Labor and Public Welfare examined Mr. Brown at some length. As I am sure the majority leader knows, some of the decisions—in fact, many of them—that Mr. Brown has participated in have been very controversial decisions.

After that hearing, I must say that we found no reason at all for objecting to Mr. Brown on personal grounds. I, for one, feel that some of his philosophical positions in connection with these decisions are not in accord with what I think is the more favorable method of handling labor-management relations.

I want to register this as a protest, but not as an objection, to his nomination.

The VICE PRESIDENT. The question is, Will the Senate advise and consent to this nomination?

The nomination was confirmed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of this nomination.

The VICE PRESIDENT. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

On request of Mr. MANSFIELD, and by unanimous consent, the Senate resumed the consideration of legislative business.

THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of measures on the calendar, beginning with Calendar No. 1504 and the succeeding measures in sequence, up to and including Calendar No. 1516.

The VICE PRESIDENT. Without objection, it is so ordered.

EXTENSION OF 3 YEARS FOR PERIOD DURING WHICH EXTRACTS SUITABLE FOR TANNING MAY BE IMPORTED

The bill (H.R. 12328) to extend for 3 years the period during which certain extracts suitable for tanning may be imported free of duty, was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1539), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of H.R. 12328, as reported by your committee, is to extend for 3 years, until the close of September 30, 1969, the period during which certain extracts suitable for tanning may be imported free of duty.

GENERAL STATEMENT

Public Law 85–235 temporarily transferred from paragraph 38 of the dutiable list of the Tariff Act of 1930 to the free list of that act certain tanning extracts. Section 4 of Public Law 85–645 made special provision for eucalyptus extract in paragraph 1670(b), and Public Law 86–288 made special provision for hemlock extract in this free-list provision. The free treatment in each of the three public laws had a terminal date of September 28, 1960. Public Law 86–427, however, extended the terminal date to the close of September 30, 1963. It was further extended to the close of September 30, 1966, by Public Law 88–92. The present duty-free treatment is provided for under item 907.80 of the Tariff Schedules of the United States. Your committee's bill, H.R. 12328, would extend the suspension for another 3 years, to the close of September 30, 1969.

Among the considerations which led to the original suspensions of duties on these extracts were the following: The domestic tanning extract industry has been dependent upon domestic chestnut wood and bark for the domestic production of chestnut tanning extract, the only vegetable tanning material which has been produced in the United

States in significant quantity. Because of the blight which virtually wiped out the chestnut trees along the Appalachian Range, domestic firms producing tanning extracts have been unable to secure raw materials. The domestic availability of tanning extracts has steadily declined and the firms which had been engaged in extract production have largely gone into other fields of activity. Public Law 85–235 provided for the suspension of duties with respect to tanning extracts chiefly used in the United States for tanning purposes at the time of importation. Section 4 of Public Law 85–645 provided that eucalyptus extract should be classified under paragraph 1670(b) irrespective of its chief use, so long as it was suitable for use for tanning. Public Law 86–288 provided that hemlock extract be included subject to the same rule as that applicable to eucalyptus extract because it was believed that hemlock also might be found to be no longer chiefly used for tanning, although it was suitable for use for tanning.

In its report to your committee of May 13, 1966, the U.S. Tariff Commission has advised your committee as follows:

"The Commission has no information that would indicate that the considerations which led the Congress to suspend the duties on the tanning extracts are not also pertinent at present. The Commission is unaware of any complaints against the temporary duty-free treatment of these tanning extracts."

In addition to the report from the Tariff Commission, your committee has received favorable reports from the Departments of State, Treasury, Commerce, and the Bureau of the Budget on H.R. 12328.

In view of the above, your committee, like the Ways and Means Committee of the House, believes the additional 3-year suspension of duty that would be provided under H.R. 12328 is warranted.

TEMPORARY CONTINUATION OF EXISTING SUSPENSION OF DUTY ON CERTAIN ISTLE

The bill (H.R. 12461) to continue for a temporary period the existing suspension of duty on certain istle, was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1540), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of H.R. 12461 is to continue, until the close of September 5, 1969, the existing suspension on duty on processed istle fiber.

GENERAL STATEMENT

Crude istle fiber has always been afforded duty-free entry under the Tariff Act of 1930 (TSUS item 192.65). However, the processed fiber has been dutiable under the act at the rate of 20 percent ad valorem (TSUS item 192.70). Public Law 85–284, approved September 4, 1957, in effect suspended the duty applicable to processed fiber for a 3-year period expiring at the close of September 4, 1960. Public Law 86–456, approved May 13, 1960, and Public Law 88–90, approved August 8, 1963, have continued the suspension of the duty applicable to the processed fiber until the close of September 5, 1966. H.R. 12461 would amend item 903.90 of the Tariff Schedules of the United States to further extend the period for the suspension of the duty until the close of September 5, 1969.

Istle fiber is derived from several species of the agave plant which is indigenous to Mexico. It is one of the best known and most widely used of all vegetable brush fibers. Its principal use in the United States is in the manufacture of brushes.

The situation in 1957 at the time of enactment of Public Law 85–284 was that there was no domestic production of the raw fiber and an insignificant production of the processed fiber from imported raw fiber; that good grades of raw fiber were in short supply; and that the brush industry and importing interests indicated that the prices of processed fiber had risen, with resulting increases in the cost of production and in the prices of the finished product. The object of the suspension was to reduce the burden of higher prices on domestic users of the fibers and of the finished products. Your committee, like the Committee on Ways and Means of the House, is convinced that conditions continue to warrant the suspension of this duty.

Favorable reports with respect to H.R. 12461 have been received from the Departments of State, Treasury, and Commerce. An informative report was received from the U.S. Tariff Commission.

AMENDMENT OF CONNALLY HOT OIL ACT

The bill (H.R. 10860) to promote the general welfare, public policy, and security of the United States was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1544), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF EXPLANATION

The bill, H.R. 10860, would amend the Connally Hot Oil Act (1935) (15 U.S.C. 715a(1)) to permit any State to ship in interstate commerce oil which it has acquired through confiscation or otherwise because of violation of its laws. Under existing law a State may confiscate oil produced in violation of State law but such oil may not be transported in interstate commerce.

BACKGROUND AND NEED

The Connally Hot Oil Act prohibits the shipment or transportation in interstate commerce from any State of contraband oil produced in such State. The U.S. Court of Appeals for the Fifth Circuit in *Hurley* v. *Federal Tender Board No. 1*, 108 F. 2d 574 (1939) held that States are not exempted from the Connally Hot Oil Act. As a result States that confiscate or otherwise acquire contraband oil can dispose of it in intrastate but not in interstate commerce.

At the time the Connally Act was enacted this limitation on the States posed no particular problem because there were a substantial number of markets exclusively within a State where oil could be sold for strictly intrastate distribution. But today it is virtually impossible to sell oil to a refinery and at the same time restrict its use to intrastate commerce. Interstate pipelines have been built to facilitate the movement of crude and refined products to large markets often at great distances from the State where it was produced. Once the oil is shipped by pipeline it is, as a practical matter, impossible to prevent that oil from entering interstate commerce either as crude oil itself, constituent parts thereof, or the products manufactured therefrom. The only truly intrastate markets available are sales directly to the consumer for limited uses such as oiling roads or firing boilers.

Some States reportedly have large accumulations of oil on hand which they are unable to dispose of or are unable to dispose of at a reasonable price. It has been estimated for example that the State of Texas has some 135,000 to 150,000 barrels of oil which cannot be sold at market price.

COST

It is anticipated that no cost to the Government will result from the passage of this bill.

The title was amended, so as to read: "An Act to amend the Connally Hot Oil Act by exempting States from certain provisions thereof."

AMENDMENT OF THE SHIP MORTGAGE ACT, 1920

The bill (H.R. 8000) to amend the Ship Mortgage Act, 1920, relating to fees for certification of certain documents, and for other purposes was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1545), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of H.R. 8000 is to reduce the cost of obtaining certified copies of certain mortgages to owners of non-self-propelled vessels and to eliminate the requirement for retaining those copies on such vessels.

BACKGROUND AND EXPLANATION

Under the Ship Mortgage Act of 1920 the owner of a vessel is required in the case of a preferred mortgage to place a certified copy of the mortgage on board the vessel to be mortgaged, which copy is to be available for exhibit to any interested person. The original mortgage is filed with the collector of customs at the home port of the vessel and a charge of 20 cents a folio—consisting of 100 words—is made for the certification of the copy to be placed aboard the vessel. In the case of a blanket mortgage on a considerable number of barges, the cost of certification has run as high as $28,000.

With respect to the requirement of maintenance of a certified copy aboard the vessel in the case of barges, this has given rise to a physical problem of storage and in view of the fact that it is extremely unlikely that anybody would seek to examine the copy, the retention of this requirement appears to be unnecessary. This bill would, therefore, eliminate the requirement of retention of the copy aboard a vessel which is not self-propelled.

With respect to the fee for certification, the bill provides that where there is a request for certification of more than 10 copies of a mortgage including more than 1 vessel, the fee for certification for each copy in excess of 10 shall be $1 per copy. In the case of the $28,000 fee hereinbefore referred to, the fee under this bill would be approximately $1,000 which representatives of the Bureau of Customs have indicated would be

a reasonable and compensatory charge for the service.

The requirements of the present law with respect to fees and retention of copies aboard barges appear to be unreasonable in the light of current practices and the committee accordingly recommends the enactment of H.R. 8000, which would reduce the fees to a reasonable amount and eliminate the requirement for carriage of certified copies of mortgages aboard barges.

COST

The enactment of the bill would entail no expense to the U.S. Government but the Customs Bureau states that the loss of revenue from the reduction of fees for certified copies of mortgages would be approximately $20,000 per year.

IMPROVEMENT OF AIDS TO NAVIGATION SERVICES OF THE COAST GUARD

The bill (S. 3715) to improve the aids to navigation services of the Coast Guard was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 3715

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 81 of title 14, United States Code, is amended to read as follows:

"§ 81. Aids to navigation authorized

"In order to aid navigation and to prevent disasters, collisions, and wrecks of vessels and aircraft, the Coast Guard may establish, maintain, and operate:

"(1) aids to maritime navigation required to serve the needs of the Armed Forces or of the commerce of the United States;

"(2) aids to air navigation required to serve the needs of the Armed Forces of the United States peculiar to warfare and primarily of military concern as determined by the Secretary of Defense or the Secretary of any department within the Department of Defense and as requested by any of those officials; and

"(3) electronic aids to navigation systems (a) required to serve the needs of the Armed Forces of the United States peculiar to warfare and primarily of military concern as determined by the Secretary of Defense or any department within the Department of Defense; or (b) required to serve the needs of the maritime commerce of the United States; or (c) required to serve the needs of the air commerce of the United States as requested by the Administrator of the Federal Aviation Agency.

These aids to navigation other than electronic aids to navigation systems shall be established and operated only within the United States, the waters above the Continental Shelf, the territories and possessions of the United States, the Trust Territory of the Pacific Islands, and beyond the territorial jurisdiction of the United States at places where naval or military bases of the United States are or may be located."

SEC. 2. Section 82 of title 14, United States Code, is amended to read as follows:

"§ 82. Cooperation with Administrator of the Federal Aviation Agency

"The Coast Guard, in establishing, maintaining, or operating any aids to air navigation herein provided, shall solicit the cooperation of the Administrator of the Federal Aviation Agency to the end that the personnel and facilities of the Federal Aviation Agency will be utilized to the fullest possible advantage. Before locating and operating any such aid on military or naval bases or regions, the consent of the Secretary of the Army, the Secretary of the Navy, or the Secretary of the Air Force, as the case may be, shall first be obtained. No such aid shall be located within the territorial jurisdiction of any foreign country without the consent of the government thereof. Nothing in this title shall be deemed to limit the authority granted by the Federal Aviation Act of 1958, as amended (ch. 20 of title 49), or by the provisions of sections 7392 and 7394 of title 10."

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1546), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE AND BRIEF SUMMARY

The purpose of this legislation is to expand the authority of the Coast Guard with respect to the establishment of aids to navigation beyond the territorial limits of the United States and permit the Coast Guard to establish and operate various electronic aids to navigation.

In summary the bill would—

(1) Authorize the Coast Guard to establish, maintain, and operate aids to maritime and air navigation within the waters above the Continental Shelf;

(2) Authorize the Coast Guard to develop and utilize electronic aids to navigation systems other than the "loran" system; and

(3) Clarify existing statutory language relating to requests of the Secretary of Defense and the Administrator of the Federal Aviation Agency for the establishment of aids to air navigation.

BACKGROUND AND NEED FOR THE LEGISLATION

Under existing law, the Coast Guard has only limited authority to establish aids to navigation beyond the territorial seas of the United States. However, present use of extraterritorial waters by vessels of increased size and draft and the increased use of these waters for operations other than navigation makes additional aids to navigation necessary.

Presently the Coast Guard does not have authority to mark wrecks or harbor entrance channels which extend beyond our territorial waters. It also lacks authority for marking areas where offshore drilling structures are located beyond the territorial limit.

The need for navigational aids in these areas has already been shown by collisions between vessels bound to or from New York. These collisions could have been avoided by the establishment of sealanes. The committee also believes that it will ultimately be necessary to designate and mark fairways among the offshore oil-well structures in the Gulf of Mexico and this legislation will enable the Coast Guard to carry out this task.

In regard to electronic aids to navigation, present law authorizes the Coast Guard to establish loran stations for certain purposes. Since the word "loran" has come to be interpreted as referring only to a specific type of pulsed electronic aid, the Coast Guard is without authority to develop and utilize other types of electronic aids to navigation.

This expansion of Coast Guard authority is not intended to impinge upon the authority of the Federal Aviation Agency which has statutory responsibilities in the field of air navigation. Present law provides the Coast Guard with authority to establish loran stations required to serve the needs of the air commerce as determined by the Federal Aviation Agency. S. 3715 slightly changes existing law to indicate more clearly that the Coast Guard would only establish electronic aids to air commerce upon *request of that agency.*

In addition, this legislation provides that aids to air navigation established upon request of the Armed Forces would be those which are peculiar to warfare and primarily of military concern as determined by the Department of Defense. The language used here parallels that found in the Federal Aviation Act of 1958 in those provisions dealing with the responsibilities of the Federal Aviation Agency and the Department of Defense in matters concerning air navigation.

RELATIONSHIP BETWEEN COAST AND GEODETIC SURVEY AND AIR FORCE

The Senate proceeded to consider the bill (H.R. 722) to amend certain provisions of existing law concerning the relationship of the Coast and Geodetic Survey to the Army and Navy so they will apply with similar effect to the Air Force which had been reported from the Committee on Commerce, with an amendment, to strike out all after the enacting clause and insert:

That section 16 of the Act of May 22, 1917, chapter 20, as amended (33 U.S.C. 855, 858), is amended as follows:

(1) The first paragraph (33 U.S.C. 855) is amended to read as follows:

"The President is authorized, whenever in his judgment a sufficient national emergency exists, to transfer to the service and jurisdiction of a military department such vessels, equipment, stations, and commissioned officers of the Environmental Science Services Administration as he may deem to the best interest of the country, and after such transfer all expenses connected therewith shall be defrayed out of the appropriations for the department to which transfer is made: *Provided,* That such vessels, equipment, stations, and commissioned officers shall be returned to the Environmental Science Services Administration when such national emergency ceases, in the opinion of the President, and nothing in this section shall be construed as transferring the Environmental Science Services Administration or any of its functions from the Department of Commerce except in time of national emergency and to the extent herein provided: *Provided further,* That any of the commissioned officers of the Environmental Science Services Administration who may be transferred as provided in this section, shall, while under the jurisdiction of a military department, have proper military status and shall be subject to the laws, regulations, and orders for the government of the Army, Navy, or Air Force, as the case may be, insofar as the same may be applicable to persons whose retention permanently in the military service of the United States is not contemplated by law."

(2) The last paragraph (33 U.S.C. 858) is amended to read as follows:

"The Secretary of Defense and the Secretary of Commerce shall jointly prescribe regulations governing the duties to be performed by the Environmental Science Services Administration in time of war, and for the cooperation of that service with the military departments in time of peace in preparation for its duties in war, which regulations shall not be effective unless approved by each of those Secretaries, and included therein may be rules and regulations for making reports and communications between a military department and the Environmental Science Services Administration."

SEC. 2. Section 10 of the Act of January 19, 1942, chapter 6, as amended (33 U.S.C. 868a), is amended to read as follows:

"Commissioned officers, ships' officers, and members of the crews of vessels of the Environmental Science Services Administration shall be permitted to purchase commissary

and quartermaster supplies as far as available from the Army, Navy, Air Force, or Marine Corps at the prices charged officers and enlisted men of those services."

SEC. 3. Section 1 of the Act of December 3, 1942, chapter 670, as amended (33 U.S.C. 854a–1), is amended to read as follows:

"Personnel of the Environmental Science Services Administration shall be subject in like manner and to the same extent as personnel of the Navy to all laws authorizing temporary appointment or advancement of commissioned officers in time of war or national emergency subject to the following limitations:

"(1) Commissioned officers in the service of a military department, under the provisions of section 16 of the Act of May 22, 1917 (40 Stat. 87), as amended, may, upon the recommendation of the Secretary of the military department concerned, be temporarily promoted to higher ranks or grades.

"(2) Commissioned officers in the service of the Environmental Science Services Administration may be temporarily promoted to fill vacancies in ranks and grades caused by the transfer of commissioned officers to the service and jurisdiction of a military department under the provisions of section 16 of the Act of May 22, 1917 (40 Stat. 87), as amended.

"(3) Temporary appointments may be made in all grades to which original appointments in the Environmental Science Services Administration are authorized: *Provided*, That the number of officers holding temporary appointments shall not exceed the number of officers transferred to a military department under the provisions of section 16 of the Act of May 22, 1917 (40 Stat. 87), as amended."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

The title was amended, so as to read: "An Act to amend certain provisions of existing law concerning the relationship of the Environmental Science Services Administration to the Army and Navy so they will apply with similar effect to the Air Force."

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1547), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of this bill, as amended, is to provide authority during periods of national emergency for Presidential transfer of vessels equipment, stations, and commissioned officers of the Environmental Science Services Administration to the service and jurisdiction of a military department. The bill, as amended, also amends the laws relating to promotion of such transferred personnel and authorizes the appointment of others to replace the transferees.

BACKGROUND

The legislation being amended was enacted prior to the establishment of the Air Force as a separate military department. As passed by the House, H.R. 722's primary purpose was to provide the same status for members of the Coast and Geodetic Survey Service with the Air Force in times of emergency as those serving in the Army and Navy. Subsequent to the date of House passage, however, Reorganization Plan No. 2 of 1965 became effective. This plan consolidated the Coast and Geodetic Survey and the Weather Bureau to form the Environmental Science Services Administration.

AMENDMENTS

In order to reflect the absorption in the Environmental Science Services Administration of the Coast and Geodetic Survey, the committee has amended H.R. 722 by substituting the words "Environmental Science Services Administration" for the words "Coast and Geodetic Survey" in every instance including the title of the act. The committee also limited the personnel transfer under this amendment to the transfer of commissioned officers. This limitation is necessitated by the fact that personnel under the Environmental Science Services Administration includes considerable more civilian personnel than existed under the Coast and Geodetic Survey.

In addition the committee provided that commissioned officers of the Environmental Science Services Administration be subject to all laws regulating the temporary appointment or advancement of commissioned officers of the Navy in time of war or national emergency. The authority for temporary appointments in time of war or national emergency has also been made consistent with the authority to make original appointments.

EXEMPTION OF REQUIREMENT FOR AN EXAMINATION-OF-RECORDS CLAUSE IN CONTRACTS

The Senate proceeded to consider the bill (H.R. 3041) to amend title 10, United States Code, to exempt certain contracts with foreign contractors from the requirement for an examination-of-records clause, which had been reported from the Committee on Armed Services, with amendments, on page 2, at the beginning of line 16, to strike out "Comptroller General or his designee is not required where the contractor or subcontractor (1) is a foreign government or agency thereof; or (2) is precluded by the laws of the country involved from making its books, documents, papers, or records available for examination" and insert "Comptroller General or his designee is not required—

"(1) where the contractor or subcontractor is a foreign government or agency thereof or is precluded by the laws of the country involved from making its books, documents, papers, or records available for examination; and

"(2) where the head of the agency determines, after taking into account the price and availability of the property or services from United States sources, that the public interest would be best served by not applying subsection (b).

If subsection (b) is not applied to a contract or subcontract based on a determination under clause (2), a written report shall be furnished to the Congress."; on page 3, at the beginning of line 23, to strike out "for the omission of such clause where the contractor or subcontractor (1) is a foreign government or agency thereof; or (2) is precluded by the laws of the country involved from making its books, documents, papers, or records available for examination. The power of the agency head to make the determination specified in the preceding sentences shall not be delegable." and insert "for the omission of such clause—

"(1) where the contractor or subcontractor is a foreign government or agency thereof or is precluded by the laws of the country involved from making its books, documents, papers, or records available for examination; and

"(2) where the agency head determines, after taking into account the price and availability of the property or services from United States sources, that the public interest would be best served by the omission of the clause.

If the clause is omitted based on a determination under clause (2) a written report shall be furnished to the Congress. The power of the agency head to make the determination specified in the preceding sentences shall not be delegable." and on page 5, at the beginning of line 4, to strike out "not required for the omission of such clause where the contractor or subcontractor (1) is a foreign government or agency thereof; or (2) is precluded by the laws of the country involved from making its books, documents, papers, or records available for examination." and insert "not required for the omission of such clause—

"(1) where the contractor or subcontractor is a foreign government or agency thereof or is precluded by the laws of the country involved from making its books, documents, papers, or records available for examination; and

"(2) where the agency head determines, after taking into account the price and availability of the property or services from United States sources, that the public interest would be best served by the omission of the clause.

If the clause is omitted based on a determination under clause (2), a written report shall be furnished to the Congress."

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1548), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

EXPLANATION OF AMENDMENTS

In those cases where concurrence of the Comptroller General in the exclusion of an examination of records clause would not be required, that is, in cases involving contracts or subcontracts with foreign governments or agencies of foreign governments, or where the laws of the country involved preclude the examination of records, the amendments require that before making a determination that the public interest would be best served by not requiring the examination-of-records clause, the agency head must consider the price and availability of the supplies or services from U.S. sources, and the amendments also require that the Congress be furnished a report explaining the reasons for such determinations.

PURPOSE

This bill would permit the head of an agency to exclude an examination of records clause from a contract or a subcontract with a foreign contractor or subcontractor after

determining that the inclusion of such a clause would not be in the public interest.

EXPLANATION OF THE BILL

Existing law requires that contracts negotiated by the military departments, the Secretary of the Treasury, or the Administrator of the National Aeronautical and Space Administration contain a provision authorizing the Comptroller General of the United States and his representatives to examine any books, documents, papers, or records of the contractor or any of his subcontractors that directly pertain to and involve transactions relating to such contract.

The requirement for an examination-of-records clause has resulted in difficulty and delay in placing contracts with foreign contractors and in at least one instance it has resulted in a failure to procure a needed item. These difficulties and delays are particularly obvious in contracting with foreign governments or agencies of foreign governments, as this requirement is often considered to impinge on their sovereign rights. Cases in which the United States needs supplies and services obtainable from only a single source of foreign supply include postal communications and transportation services in Japan, Belgium, the Netherlands, and Germany.

Cases in which the requirement for an examination-of-rights clause has proved troublesome can be divided into two groups: (1) those in which the contractor refuses to accept the clause on the basis of foreign law prohibiting any group such as the General Accounting Office from making an examination; and (2) those in which the foreign contractor refuses to agree to the clause because of his own business policy.

When for legal or policy reasons a potential contractor refuses to accept an examination-of-records clause, the contracting officer must try to make the procurement elsewhere if he cannot change the contractor's mind. But if the contractor cannot be persuaded to accept the examination-of-records clause and if the procurement cannot be made elsewhere for one of several reasons, including there being only a sole source of supply or unreasonable cost alternatives, the choice is narrowed to failing to make a procurement or violating the requirement.

Under this bill the head of the agency could exclude the examination-of-records clause from a contract or a subcontract with a foreign contractor or foreign subcontractor. Before the clause could be excluded the agency head must determine that inclusion of the clause would not be in the public interest and the Comptroller General or his designee would have to concur in this determination. Moreover, this finding must be in writing and it must clearly indicate why the requirement for an examination-of-records clause would not be in the public interest.

The concurrence of the Comptroller General or his designee would not be required where the contractor or subcontractor is a foreign government or an agency thereof, or where the laws of the country involved preclude the contractor from making his books, documents, papers, or records available for examination. The committee has adopted an amendment providing that in those cases where the concurrence of the Comptroller General is not required before the examination-of-records clause can be excluded, the head of the agency must take into account the price and availability of the supplies or services from U.S. sources before determining that inclusion of the examination-of-records clause would not be in the public interest. In addition, the Congress must be furnished a report explaining the reasons for any such determinations.

The committee was assured that the military departments have found an examination-of-records clause to be useful and that it will be included whenever possible. The authority to exclude the clause is intended to be exercised only in exceptional cases.

Waiver authority of the type this bill provides has been approved in the Atomic Energy Act of 1954, the Foreign Assistance Act of 1961, and military construction authorization acts for the last several years.

REPEAL OF CERTAIN ACTS RELATING TO CONTAINERS FOR FRUITS AND VEGETABLES

The Senate proceeded to consider the bill (S. 17) to repeal certain acts relating to containers for fruits and vegetables, and for other purposes which had been reported from the Committee on Commerce, with an amendment on page 2, line 3, after the word "on", to insert "January 1, 1967."; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Acts of Congress listed below are hereby repealed:

(a) The Act of August 31, 1916, entitled "An Act to fix standards for Climax baskets for grapes and other fruits and vegetables, and to fix standards for baskets and other containers for small fruits, berries, and vegetables, and for other purposes" (39 Stat. 673, as amended; 15 U.S.C. 251–256);

(b) The Act of May 21, 1928, entitled "An Act to fix standards for hampers, round stave baskets, and splint baskets for fruits and vegetables, and for other purposes" (45 Stat. 685, as amended; 15 U.S.C. 257–257i).

SEC. 2. This Act shall become effective on January 1, 1967.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1550), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE LEGISLATION

S. 17 would repeal the Standard Container Act of August 31, 1916 (39 Stat. 673; 15 U.S.C. 251–256), and the Standard Container Act of May 21, 1928 (45 Stat. 685; 15 U.S.C. 257–257i).

EXPLANATION OF THE BILL

The act of August 31, 1916 (15 U.S.C. 251–256), known as the Standard Container Act of 1916, establishes standard sizes for Climax baskets for grapes and other fruits and vegetables and fixes standards for baskets and other containers for small fruits, berries, and vegetables. The act provides for the examination of containers subject to regulation to determine their compliance with the law.

The act of May 21, 1928 (15 U.S.C. 257–257i), known as the Standard Container Act of 1928, establishes standard sizes for hampers, round stave baskets, and splint baskets used for fresh fruits and vegetables. Specifications of containers covered by the act are submitted to and approved by the Department of Agriculture if such containers are of the prescribed capacity and not deceptive in appearance.

When these laws were enacted, baskets and hampers were the principal types of containers used for the shipment of fresh fruits and vegetables. At that time, because of the large number of sizes of containers being manufactured, a strong movement developed in the industry, particularly among container manufacturers, to bring about some degree of standardization in order to reduce the resultant unnecessary cost, confusion, and deception.

In the years since the enactment of the Standard Container Acts, great changes have taken place in the containers used for shipping fresh fruit and vegetables. Baskets and hampers, formerly the principal types used, have been displaced in large part by newer types. During the past 10 years, for example, the number of factories producing containers subject to the Standard Container Acts of 1916 and 1928 has declined from 183 to 129, or a reduction of 31 percent, while the number of different containers manufactured by these plants has dropped by 20 percent, from 726 to 584.

Of the large and increasing number of containers now widely used such as fiberboard cartons, wirebound and nailed crates, wooden boxes and lugs, mesh, paper, and plastic bags, some were not in use at all for fruits and vegetables at the time these acts were passed. None of these newer containers are regulated by Federal law as to shape, size, or capacity.

Moreover, most fruits and vegetables are now sold by weight or count. Consequently, slight variations in the volume capacity of containers are no longer an important marketing factor. Largely because of the growth in the use of containers not covered by the Standard Container Acts, it is estimated that less than 10 percent of the fresh fruits and vegetables shipped in interstate commerce now are packed in containers regulated under these acts.

In view of the limited volume of fresh fruits and vegetables currently being shipped in containers subject to regulation under the Standard Container Acts of 1916 and 1928, the continuing trend toward wider use of types of containers not subject to Federal regulation, and the fact that most fruits and vegetables are now sold by weight or count, the committee is convinced that continued administration of these laws is no longer justified and that a saving can be achieved through repeal of these laws without detriment to the fruit and vegetable industry or the public.

COST

Repeal of the bill will result in a savings of approximately $16,200 annually.

AMENDMENT OF THE FEDERAL HAZARDOUS SUBSTANCES LABELING ACT

The Senate proceeded to consider the bill (S. 3298) to amend the Federal Hazardous Substances Labeling Act to ban hazardous toys and articles intended for children, etc., which had been reported from the Committee on Commerce, with an amendment on page 1, after the enacting clause, to strike out "That this Act"; after line 3, to insert:

TITLE I—AMENDMENTS TO THE FEDERAL HAZARDOUS SUBSTANCES LABELING ACT

Short title

At the beginning of line 7, to insert "Section 1. This title"; on page 3, line 7, after the word "substance" to strike out "(including a toy, or another article intended for use by children, which is, bears, or contains a hazardous substance)" and insert "(including a toy, or other article intended for use by children, which is a hazardous substance, or which bears or contains a hazardous substance in such manner as to be susceptible of access by a child to whom such toy or other article is entrusted)"; on

page 5, line 24, after the word "is", to strike out "or bears"; in the same line after the word "which", where it appears the second time, to insert "bears or"; on page 6, line 3, after the word "substance", to strike out "intended or offered for household use, or so packaged as to be suitable for such use, which the Secretary by regulation classifies as a 'banned hazardous substance' on the basis of a finding that the hazard involved in the use of such substance in households is such that cautionary labeling would not be an adequate safeguard against substantial personal injury or substantial illness occurring during or as a proximate result of any customary or reasonably foreseeable handling or use of such substance: *Provided*, That the Secretary shall by regulation exempt from clause (A) of this paragraph articles, such as chemical sets, which by reason of their functional purpose require the inclusion of the hazardous substance involved and which are intended for use by children who have attained sufficient maturity to read and heed the directions and warnings in the labeling of such article." and insert "intended, or packaged in a form suitable, for use in the household, which the Secretary by regulation classifies as a 'banned hazardous substance' on the basis of a finding that, notwithstanding such cautionary labeling as is or may be required under this Act for that substance, the degree or nature of the hazard involved in the presence or use of such substance in households in such that the objective of the protection of the public health and safety can be adequately served only by keeping such substance, when so intended or packaged, out of the channels of interstate commerce: *Provided*, That the Secretary, by regulation, (i) shall exempt from clause (A) of this paragraph articles, such as chemical sets, which by reason of their functional purpose require the inclusion of the hazardous substance involved, and which bear labeling giving adequate directions and warnings for safe use and are intended for use by children who have attained sufficient maturity, and may reasonably be expected to read and heed such directions and warnings, and (ii) shall exempt from clause (A), and provide for the labeling of, common fireworks (including toy paper caps, cone fountains, cylinder fountains, whistles without report, and sparklers) to the extent that he determines that such articles can be adequately labeled to protect the purchasers and users thereof."; at the top of page 9, to insert a new section, as follows:

Effect upon State law

SEC. 4. (a) Section 17 of such Act (15 U.S.C. 1261, note) is amended by inserting "(a)" immediately after the section designation and adding at the end thereof the following new subsection:

"(b) It is hereby expressly declared that it is the intent of the Congress to supersede any and all laws of the States and political subdivisions thereof insofar as they may now or hereafter provide for the precautionary labeling of any substance or article intended or suitable for household use (except for those substances defined in sections 2(f) (2) and (3) of this Act) which differs from the requirements or exemptions of this Act or the regulations or interpretations promulgated pursuant thereto. Any law, regulation, or ordinance purporting to establish such a labeling requirement shall be null and void."

(b) The title of such section is amended to read as follows:

"Effect upon Federal and State law".

At the beginning of line 21, to change the section number from "4" to "5"; and at the top of page 10, to insert a new title, as follows:

TITLE II—NATIONAL COMMISSION ON HAZARDOUS HOUSEHOLD PRODUCTS

Statement of purpose

SEC. 201. The Congress hereby recognizes that the American consumer has a right to be protected against unreasonable risk of bodily harm from products purchased on the open market for the use of himself and his family, and that manufacturers whose products are marketed substantially in interstate commerce are entitled to a reasonable degree of uniformity in the application of safety regulations to such products. Federal, State, and local laws relating to consumer protection against such hazardous products are widely divergent and fail to provide adequately for consumer protection. It is the purpose of this title to establish a commission to review the scope, adequacy, and uniformity of existing legislation and to make recommendations for appropriate remedial action by the President, the Congress, and the States.

Establishment of commission

SEC. 202. There is hereby established a National Commission on Hazardous Household Products (hereinafter referred to as the "Commission").

(b) The Commission shall be composed of seven members appointed by the President from among persons who are specifically qualified to serve on such Commission by virtue of their education, training, or experience.

(c) Any vacancy in the Commission shall not affect its powers.

(d) The President shall designate one of the members to serve as Chairman and one to serve as Vice Chairman of the Commission.

(e) Four members of the Commission shall constitute a quorum.

Duties of the Commission

SEC. 203. (a) The Commission shall conduct a comprehensive study and investigation of the scope and adequacy of measures now employed to protect consumers against injuries which may be caused by hazardous household products. Such study and investigation shall include consideration of the following:

(1) the identity of household products, except such products excluded in section 207, which are determined to present an unreasonable hazard to the health and safety of the consuming public;

(2) the extent to which self-regulation by industry affords such protection;

(3) the protection against such hazardous products afforded at common law in the States, including the relationship of product warranty to such protection; and

(4) a review of Federal, State, and local laws relating to the protection of consumers against such hazardous products, including the scope of coverage, the effectiveness of sanctions, the adequacy of investigatory powers, the uniformity of application, and the quality of enforcement.

(b) The Commission may transmit to the President and to the Congress such interim reports as it deems advisable and shall transmit its final report to the President and to the Congress not later than March 1, 1968. Such final report shall contain a detailed statement of the findings and conclusions of the Commission together with its recommendations for such legislation as it deems appropriate.

Powers of the commission

SEC. 204. (a) The Commission, or any two members thereof as authorized by the Commission, may conduct hearings anywhere in the United States or otherwise secure data and expressions of opinions pertinent to the study. In connection therewith the Commission is authorized by majority vote—

(1) to require, by special or general orders, corporations, business firms, and individuals to submit in writing such reports and answers to questions as the Commission may prescribe; such submission shall be made within such reasonable period and under oath or otherwise as the Commission may determine;

(2) to administer oaths;

(3) to require by subpena the attendance and testimony of witnesses and the production of all documentary evidence relating to the execution of its duties;

(4) in the case of disobedience to a subpena or order issued under paragraph (a) of this section, to invoke the aid of any district court of the United States in requiring compliance with such subpena or order;

(5) in any proceeding or investigation to order testimony to be taken by deposition before any person who is designated by the Commission and has the power to administer oaths, and in such instances to compel testimony and the production of evidence in the same manner as authorized under paragraphs (3) and (4) of this subsection; and

(6) to pay witnesses the same fees and mileage as are paid in like circumstances in the courts of the United States.

(b) Any district court of the United States within the jurisdiction of which an inquiry is carried on may, in case of refusal to obey a subpena or order of the Commission issued under subsection (a) of this section, issue an order requiring compliance therewith; and any failure to obey the order of the court may be punished by the court as a contempt thereof.

(c) The Commission is authorized to require directly from the head of any Federal agency available information deemed useful in the discharge of its duties. Each Federal agency is authorized and directed to cooperate with the Commission and to furnish all information requested by the Commission to the extent permitted by law.

(d) The Commission is authorized to enter into contracts with Federal or State agencies, private firms, institutions, and individuals for the conduct of research or surveys, the preparation of reports, and other activities necessary to the discharge of its duties.

(e) When the Commission finds that publication of any information obtained by it is in the public interest and would not give an unfair competitive advantage to any person, it is authorized to publish such information in the form and manner deemed best adapted for public use, except that data and information which would separately disclose the business transactions of any person, trade secrets, or names of customers shall be held confidential and shall not be disclosed by the Commission or its staff: *Provided, however*, That the Commission shall permit business firms or individuals reasonable access to documents furnished by them for the purpose of obtaining or copying such documents as need may arise.

"(f) The Commission is authorized to delegate any of its functions to individual members of the Commission or to designate individuals on its staff and to make such rules and regulations as are necessary for the conduct of its business, except as herein otherwise provided.

Compensation of members of the Commission

SEC. 205. Each member of the Commission who is appointed by the President may receive compensation at the rate of $100 for each day such member is engaged upon work of the Commission, and shall be reimbursed for travel expenses, including per diem in lieu of subsistence as authorized by law (5 U.S.C. 73b–2) for persons in the Government service employed intermittently.

Administration

SEC. 206. (a) The Commission is authorized, without regard to the civil service laws and regulations or the Classification Act of 1949, as amended, to appoint and fix the compensation of, an executive director and the executive director, with the approval of the Commission, may employ and fix the compensation of such additional personnel as may be necessary to carry out the functions of the Commission, but no individual so appointed shall receive compensation in excess of the rate authorized for GS–18 under the Classification Act of 1949, as amended.

(b) The executive director, with the approval of the Commission, is authorized to obtain services in accordance with the provisions of section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), but at rates for individuals not to exceed $100 per diem.

(c) The head of any Federal agency is authorized to detail, on a reimbursable basis, any of its personnel to assist in carrying out the duties of the Commission under this Act.

(d) Financial and administrative services (including those related to budgeting and accounting, financial reporting, personnel, and procurement) shall be provided the Commission by the General Services Administration, for which payments shall be made in advance, or by reimbursement, from funds of the Commission in such amounts as may be agreed upon by the Chairman of the Commission and the Administrator of General Services. Regulations of the General Services Administration for the collection of indebtedness of personnel resulting from erroneous payments (5 U.S.C. 46c) shall apply to the collection of erroneous payments made to or on behalf of a Commission employee, and regulations of said Administrator for the administrative control of funds (31 U.S.C. 665(g)) shall apply to appropriations of the Commission, but the Commission shall not be required to prescribe such regulations.

(e) Ninety days after submission of its final report, as provided in section 203(b), the Commission shall cease to exist.

Definition

SEC. 207. As used in this title the term "household products" means products customarily produced or distributed for sale through retail sales agencies or instrumentalities for use by a consumer or any member of his family. Such term does not include motor vehicles or products regulated under the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 301 et seq.), the Federal Hazardous Substances Labeling Act (15 U.S.C. 1261 et seq.), the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. 1331 et seq.), and the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 135 et seq.).

Authorization

SEC. 208. There are authorized to be appropriated such sums, not to exceed $2,000,000, as may be necessary to carry out the provisions of this title.

So as to make the bill read:

S. 3298

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—AMENDMENTS TO THE FEDERAL HAZARDOUS SUBSTANCES LABELING ACT

Short title

SECTION 1. This title may be cited as the "Child Protection Act of 1966."

Application of Federal Hazardous Labeling Act to articles bearing or containing pesticides, and to unpackaged hazardous substances

SEC. 2. (a) Section 2(f)(2) of the Federal Hazardous Labeling Act (15 U.S.C. 1261(i)(2)), which excludes "economic poisons" subject to the Federal Insecticide, Fungicide, and Rodenticide Act and certain other articles from the term "hazardous substance", is amended by inserting before the period at the end thereof the following: ", but such term shall apply to any article which is not itself an economic poison within the meaning of the Federal Insecticide, Fungicide, and Rodenticide Act but which is a hazardous substance within the meaning of subparagraph 1 of this paragraph by reason of bearing or containing such an economic poison".

(b) So much of section 2(n) of such Act (15 U.S.C. 1261(n)), defining the term "label", as precedes the semicolon is amended to read as follows:

"(n) the term 'label' means a display of written, printed, or graphic matter upon the immediate container of any substance or, in the case of an article which is unpackaged or is not packaged in an immediate container intended or suitable for delivery to the ultimate consumer, a display of such matter directly upon the article involved or upon a tag or other suitable material affixed thereto."

(c)(1) Paragraph (p) of section 2 of such Act (15 U.S.C. 1261(p)), defining the terms "misbranded package" and "misbranded package of a hazardous substance", is amended by changing so much of such paragraph as precedes subparagraph (1) thereof to read as follows:

"(p) The term 'misbranded hazardous substance' means a hazardous substance (including a toy, or other article intended for use by children, which is a hazardous substance, or which bears or contains a hazardous substance in such manner as to be susceptible of access by a child to whom such toy or other article is entrusted) intended, or packaged in a form suitable, for use in the household or by children, which substance, except as otherwise provided by or pursuant to section 3, fails to bear a label—".

(2) Such paragraph (p) is further amended by striking out, in subparagraph (1), all of clause (J) through the word "and" and inserting in lieu thereof the following: "(J) the statement (i) 'Keep out of the reach of children' or its practical equivalent, or, (ii) if the article is intended for use by children and is not a banned hazardous substance, adequate directions for the protection of children from the hazard, and".

(d) Section 3(b) of such Act (15 U.S.C. 1262(b)), authorizing the Secretary to establish a reasonable variations or additional label requirements necessary for the protection of the public health and safety, is amended by changing so much of such subsection as follows the semicolon to read as follows: "and any such hazardous substance intended, or packaged in a form suitable, for use in the household or by children, which fails to bear a label in accordance with such regulations shall be deemed to be a misbranded hazardous substance."

(e) Subsection (d) of section 3 of such Act (15 U.S.C. 1262(d)), authorizing the Secretary to except containers of hazardous substances with respect to which adequate requirements satisfying the purposes of such Act have been established by or pursuant to another Act, is amended by inserting "hazardous substance or" before "container of a hazardous substance".

(f) Section 4 of such Act (15 U.S.C. 1263), setting forth prohibited acts, is amended as follows:

(1) Paragraphs (a), (c), and (g) of such section are each amended by striking out "misbranded package of a hazardous substance" and inserting in lieu thereof "misbranded hazardous substance";

(2) Paragraphs (b) and (f) of such section are each amended by striking out "being in a misbranded package" and inserting in lieu thereof "being a misbranded hazardous substance".

(g) Subsection (b) of section 5 of such Act (15 U.S.C. 1264) is amended by striking out "in misbranded packages" in clause (2) thereof and inserting in lieu thereof "a misbranded hazardous substance".

(h) Section 6(a) of such Act (15 U.S.C. 1265(a)) is amended by striking out "Any hazardous substance that is in a misbranded package" and inserting in lieu thereof "Any misbranded hazardous substance".

(i) Section 14(a) of such Act (15 U.S.C. 1273(a)) is amended by striking out "in misbranded packages" in the second sentence thereof and inserting in lieu thereof "a misbranded hazardous substance".

Exclusion, from interstate commerce, of toys and other children's articles containing hazardous substances, and of other substances so dangerous that cautionary labeling is not adequate

SEC. 3. (a) Section 2 of such Act (15 U.S.C. 1261) is further amended by adding at the end thereof the following new paragraph:

"(q)(1) The term 'banned hazardous substance' means (A) any toy, or other article intended for use by children, which is a hazardous substance, or which bears or contains a hazardous substance in such manner as to be susceptible of access by a child to whom such toy or other article is entrusted; or (B) any hazardous substance intended, or packaged in a form suitable, for use in the household, which the Secretary by regulation classifies as a 'banned hazardous substance' on the basis of a finding that, notwithstanding such cautionary labeling as is or may be required under this Act for that substance, the degree or nature of the hazard involved in the presence or use of such substance in households is such that the objective of the protection of the public health and safety can be adequately served only by keeping such substance, when so intended or packaged, out of the channels of interstate commerce: *Provided*, That the Secretary, by regulation, (i) shall exempt from clause (A) of this paragraph articles, such as chemical sets, which by reason of their functional purpose require the inclusion of the hazardous substance involved, and which bear labeling giving adequate directions and warnings for safe use and are intended for use by children who have attained sufficient maturity, and may reasonably be expected, to read and heed such directions and warnings, and (ii) shall exempt from clause (A), and provide for the labeling of, common fireworks (including toy paper caps, cone fountains, cylinder fountains, whistles without report, and sparklers) to the extent that he determines that such articles can be adequately labeled to protect the purchasers and users thereof.

"(2) Proceedings for the issuance, amendment, or repeal of regulations pursuant to clause (B) of subparagraph (1) of this paragraph shall be governed by the provisions of sections 701 (e), (f), and (g) of the Federal Food, Drug, and Cosmetic Act: *Provided*, That if the Secretary finds that the distribution for household use of the hazardous substance involved presents an imminent

hazard to the public health, he may be order published in the Federal Register give notice of such finding, and thereupon such substance when intended or offered for household use, or when so packaged as to be suitable for such use, shall be deemed to be a 'banned hazardous substance' pending the completion of proceedings relating to the issuance of such regulations."

(b) Subsections (a), (b), (c), and (g) of section 4 of such Act, as amended by section 2 of this Act, are each further amended by inserting "or banned hazardous substance" after "misbranded hazardous substance".

(c) Clause (2) of section 5(b) of such Act, as amended by section 2 of this Act, is further amended by striking out "within the meaning of that term" in such clause and inserting in lieu thereof "or a banned hazardous substance within the meaning of those terms".

(d) Section 6(a) of such Act, as amended by section 2 of this Act, is further amended by inserting "or banned hazardous substance" after "Any misbranded hazardous substance".

(e) Section 14(a) of such Act, as amended by section 2 of this Act, is further amended by inserting "or banned hazardous substance" after "misbranded hazardous substance" in the second sentence thereof.

Effect upon State law

SEC. 4. (a) Section 17 of such Act (15 U.S.C. 1261, note) is amended by inserting "(a)" immediately after the section designation and adding at the end thereof the following new subsection:

"(b) It is hereby expressly declared that it is the intent of the Congress to supersede any and all laws of the States and political subdivisions thereof insofar as they may now or hereafter provide for the precautionary labeling of any substance or article intended or suitable for household use (except for those substances defined in sections 2(f) (2) and (3) of this Act) which differs from the requirements or exemptions of this Act or the regulations or interpretations promulgated pursuant thereto. Any law, regulation, or ordinance purporting to establish such a labeling requirement shall be null and void."

(b) The title of such section is amended to read as follows:

"Effect upon Federal and State law"

Change in short title of Act

SEC. 5. Section 1 of the Federal Hazardous Substances Labeling Act is amended by striking out "Labeling".

TITLE II—NATIONAL COMMISSION ON HAZARDOUS HOUSEHOLD PRODUCTS

Statement of purpose

SEC. 201. The Congress hereby recognizes that the American consumer has a right to be protected against unreasonable risk of bodily harm from products purchased on the open market for the use of himself and his family, and that manufacturers whose products are marketed substantially in interstate commerce are entitled to a reasonable degree of uniformity in the application of safety regulations to such products. Federal, State, and local laws relating to consumer protection against such hazardous products are widely divergent and fail to provide adequately for consumer protection. It is the purpose of this title to establish a commission to review the scope, adequacy, and uniformity of existing legislation and to make recommendations for appropriate remedial action by the President, the Congress, and the States.

Establishment of commission

SEC. 202. There is hereby established a National Commission on Hazardous Household Products (hereinafter referred to as the "Commission").

(b) The Commission shall be composed of seven members appointed by the President from among persons who are specifically qualified to serve on such Commission by virtue of their education, training, or experience.

(c) Any vacancy in the Commission shall not affect its powers.

(d) The President shall designate one of the members to serve as Chairman and one to serve as Vice Chairman of the Commission.

(e) Four members of the Commission shall constitute a quorum.

Duties of the Commission

SEC. 203. (a) The Commission shall conduct a comprehensive study and investigation of the scope and adequacy of measures now employed to protect consumers against injuries which may be caused by hazardous household products. Such study and investigation shall include consideration of the following:

(1) the identity of household products, except such products excluded in section 207, which are determined to present an unreasonable hazard to the health and safety of the consuming public;

(2) the extent to which self-regulation by industry affords such protection;

(3) the protection against such hazardous products afforded at common law in the States, including the relationship of product warranty to such protection; and

(4) a review of Federal, State, and local laws relating to the protection of consumers against such hazardous products, including the scope of coverage, the effectiveness of sanctions, the adequacy of investigatory powers, the uniformity of application, and the quality of enforcement.

(b) The Commission may transmit to the President and to the Congress such interim reports as it deems advisable and shall transmit its final report to the President and to the Congress not later than March 1, 1968. Such final report shall contain a detailed statement of the findings and conclusions of the Commission together with its recommendations for such legislation as it deems appropriate.

Powers of the Commission

SEC. 204. (a) The Commission, or any two members thereof as authorized by the Commission, may conduct hearings anywhere in the United States or otherwise secure data and expressions of opinions pertinent to the study. In connection therewith the Commission is authorized by majority vote—

(1) to require, by special or general orders, corporations, business firms, and individuals to submit in writing such reports and answers to questions as the Commission may prescribe; such submission shall be made within such reasonable period and under oath or otherwise as the Commission may determine;

(2) to administer oaths;

(3) to require by subpena the attendance and testimony of witnesses and the production of all documentary evidence relating to the execution of its duties;

(4) in the case of disobedience to a subpena or order issued under paragraph (a) of this section, to invoke the aid of any district court of the United States in requiring compliance with such subpena or order;

(5) in any proceeding or investigation to order testimony to be taken by deposition before any person who is designated by the Commission and has the power to administer oaths, and in such instances to compel testimony and the production of evidence in the same manner as authorized under paragraphs (3) and (4) of this subsection; and

(6) to pay witnesses the same fees and mileage as are paid in like circumstances in the courts of the United States.

(b) Any district court of the United States within the jurisdiction of which an inquiry is carried on may, in case of refusal to obey a subpena or order of the Commission issued under subsection (a) of this section, issue an order requiring compliance therewith; and any failure to obey the order of the court may be punished by the court as a contempt thereof.

(c) The Commission is authorized to require directly from the head of any Federal agency available information deemed useful in the discharge of its duties. Each Federal agency is authorized and directed to cooperate with the Commission and to furnish all information requested by the Commission to the extent permitted by law.

(d) The Commission is authorized to enter into contracts with Federal or State agencies, private firms, institutions, and individuals for the conduct of research or surveys, the preparation of reports, and other activities necessary to the discharge of its duties.

(e) When the Commission finds that publication of any information obtained by it is in the public interest and would not give an unfair competitive advantage to any person, it is authorized to publish such information in the form and manner deemed best adapted for public use, execpt that data and information which would separately disclose the business transactions of any person, trade secrets, or names of customers shall be held confidential and shall not be disclosed by the Commission or its staff: *Provided, however,* That the Commission shall permit business firms or individuals reasonable access to documents furnished by them for the purpose of obtaining or copying such documents as need may arise.

(f) The Commission is authorized to delegate any of its functions to individual members of the Commission or to designate individuals on its staff and to make such rules and regulations as are necessary for the conduct of its business, except as herein otherwise provided.

Compensation of members of the Commission

SEC. 205. Each member of the Commission who is appointed by the President may receive compensation at the rate of $100 for each day such member is engaged upon work of the Commission, and shall be reimbursed for travel expenses, including per diem in lieu of subsistence as authorized by law (5 U.S.C. 73b–2) for persons in the Government service employed intermittently.

Administration

SEC. 206. (a) The Commission is authorized, without regard to the civil service laws and regulations or the Classification Act of 1949, as amended, to appoint and fix the compensation of an executive director and the executive director, with the approval of the Commission, may employ and fix the compensation of such additional personnel as may be necessary to carry out the functions of the Commission, but no individual so appointed shall receive compensation in excess of the rate authorized for GS–18 under the Classification Act of 1949, as amended.

(b) The executive director, with the approval of the Commission, is authorized to obtain services in accordance with the provisions of section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), but at rates for individuals not to exceed $100 per diem.

(c) The head of any Federal agency is authorized to detail, on a reimbursable basis, any of its personnel to assist in carrying out the duties of the Commission under this Act.

(d) Financial and administrative services (including those related to budgeting and accounting, financial reporting, personnel, and procurement) shall be provided the Commission by the General Services Administration, for which payment shall be made in

advance, or by reimbursement, from funds of the Commission in such amounts as may be agreed upon by the Chairman of the Commission and the Administrator of General Services. Regulations of the General Services Administration for the collection of indebtedness of personnel resulting from erroneous payments (5 U.S.C. 46c) shall apply to the collection of erroneous payments made to or on behalf of a Commission employee, and regulations of said Administrator for the administrative control of funds (31 U.S.C. 665(g)) shall apply to appropriations of the Commission, but the Commission shall not be required to prescribe such regulations.

(e) Ninety days after submission of its final report, as provided in section 203(b), the Commission shall cease to exist.

Definition

SEC. 207. As used in this title the term "household products" means products customarily produced or distributed for sale through retail sales agencies or instrumentalities for use by a consumer or any member of his family. Such term does not include motor vehicles or products regulated under the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 301 et seq.), the Federal Hazardous Substances Labeling Act (15 U.S.C. 1261 et seq.), the Federal Cigarette Labeling and Advertising Act (15 U.S.C. 1331 et seq.), and the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 135 et seq.).

Authorization

SEC. 208. There are authorized to be appropriated such sums, not to exceed $2,000,000, as may be necessary to carry out the provisions of this title.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1551), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill, as amended, is to ban the sale of toys and other children's articles containing hazardous substances; to authorize the Secretary of Health, Education, and Welfare to ban the sale of other substances which are so hazardous in nature that they cannot be made suitable for use in or around the household by cautionary labeling; to extend coverage of the act to unpackaged as well as packaged hazardous substances intended for household use; and to make it clear that household products treated with pesticides are not exempt from the act. The bill would also create a National Commission on Hazardous Household Products.

BACKGROUND AND NEED

The Federal Hazardous Substances Labeling Act, which originated in the Senate Commerce Committee, was reported favorably by this committee, passed by the Congress, and signed by the President on July 12, 1960. Passage of the act was prompted by evidence that thousands of children were being poisoned, burned, overcome by fumes, and otherwise accidentally injured annually through contact with unlabeled or inadequately labeled hazardous household chemical products. In the intervening 6 years, thousands of children's lives have been spared through the rigorous labeling programs conducted by FDA under the provisions of the act.

The proposed amendments to the Federal Hazardous Substances Labeling Act in S. 3298 are the product of that 6 years' experience administering the act. At present, the act is limited to the cautionary labeling of products in containers intended or suitable for household use. Cautionary labeling is adequate protection for most products. But there are extremely hazardous products which cannot be made safe for use by cautionary labeling, particularly products intended for use by children.

In testimony before the Consumer Subcommittee of the Committee on Commerce, Dr. James L. Goddard, Commissioner of Food and Drugs, told the committee of recent cases involving toy ducklings containing very high concentrations of the pesticide benzene hexachloride and highly poisonous jequirity beans used as necklace beads which were exempt from Federal jurisdiction because they were not sold in packages intended of suitable for household use. The ducklings, some of which were also contaminated by salmonella and arsenic, were sold as decorations for children's Easter baskets. Brightly colored scarlet and black jequirity beans, which can cause death within a few hours from ingestion, were found in toys and novelties, such as dolls and swizzle sticks.

Dr. Goddard also brought to the committee's attention the case of an extremely flammable and explosive water repellent which was responsible for the deaths of 3 persons, and which injured at least 30 more, yet could not be banned from sale. Dr. Goddard produced samples of "cracker balls," small torpedolike firecrackers, which appear indistinguishable from small pieces of candy or cereal. He reported that at least 25 children had suffered burns and cuts inside their mouths from mistaking the "cracker balls" for candy.

FEDERAL HAZARDOUS SUBSTANCES ACT AMENDMENTS

To give the Food and Drug Administration the regulatory tools necessary to deal appropriately with these and similar cases, the Child Protection Act would amend the Hazardous Substances Labeling Act. The bill would authorize the Secretary to impose, after full opportunity for hearing and subject to judicial review, a ban on interstate commerce in hazardous substances intended or suitable for household use, when he finds that the hazard involved is such that cautionary labeling would not be an adequate safeguard for the protection of the public. Where the procedural delay involved in plenary hearings would otherwise result in injury to the public, the Secretary would be authorized to suspend the article from the market, pending the completion of hearing and review.

Toys or other articles intended for use by children which bear or contain a hazardous substance are banned by the language of the bill itself, except that the Secretary is required to exempt by regulation, articles containing hazardous substances, intended for use by children of ages capable of reading and understanding the label instructions and warnings. This exception is intended to allow the sale of such products as children's chemistry sets if accompanied by adequate labeling warnings.

Dr. Goddard testified in response to questions by committee members that "common fireworks," as classified by the Interstate Commerce Commission on the basis of present knowledge, could be adequately labeled and sold where local law permits their sale. The committee adopted an amendment reflecting the substance of Commissioner Goddard's testimony on this point. The Commissioner will be given the authority, however, to ban "cracker balls" and any other fireworks as to which experience shows the labeling warnings to be inadequate.

Witnesses before the committee also sought amendments to include blasting caps within the coverage of the Hazardous Substances Act and to prevent the banning of fireworks used by farmers to protect crops against predatory animals. With respect to blasting caps, the Department of HEW informed the committee:

"The type of fused cap that is available for sale to a farmer would be classified as a substance intended or suitable for household use, since it is likely to be stored and used around the farmhouse. Under existing law, if these products are packaged, they are required to bear precautionary labeling. Under S. 3298 which would extend the law to unpackaged substances, each cap would have to be labeled by outside markings or by a tag to give notice of the hazard and the other cautionary information."

With respect to agricultural and wildlife fireworks, the Department replied:

"Such fireworks are not intended for use by children and hence are not within the scope of the above-quoted clause (A) of the definition of "banned hazardous substance" (automatically banned substances). Nor are we aware of any facts * * * that show that such fireworks satisfy the requirements of clause (B) of that definition, which would be applicable only to hazardous substances that are so dangerous that nothing less than a complete ban, rather than appropriate cautionary labeling, could adequately serve the objectives of the basic act. This is a severe limitation and, as explained by the Commissioner of Food and Drugs in his testimony, is coupled with procedural safeguards, including judicial review."

The bill also extends the coverage of the Hazardous Substances Labeling Act to any unpackaged product which is, bears, or contains a hazardous substance.

Finally, the bill would make it clear that household articles treated with pesticides are not exempt from the Federal Hazardous Substances Labeling Act. There has been some question as to whether the Food and Drug Administration has jurisdiction over such articles as the toy ducklings, which have been treated by regulated pesticides. The bill would eliminate this doubt, they will be covered.

PREEMPTION

The committee adopted a limited preemption amendment supported by the Department of HEW which would preclude any State from imposing a precautionary labeling requirement which differs from requirements imposed under the Federal act. The provision applies solely to labeling requirements. It would not preclude States from banning the sale of articles covered by the Federal act which State and local authorities consider too dangerous.

THE NATIONAL COMMISSION ON HAZARDOUS HOUSEHOLD PRODUCTS

During hearings on S. 3298, members of the committee questioned Commissioner Goddard closely on the adequacy of legislation protecting consumers against nonvehicular accidents generally, as well as the specific hazards involved in the amendments to the Hazardous Substances Labeling Act. Dr. Goddard indicated that no effective legislation now exists to protect against design hazards in such household products as power equipment, especially power mowers and power tools, electric household appliances, such as heaters, electric blankets and broilers, household furnishings, such as flammable blankets and upholstered furniture. Even with passage of the Child Protection Act, Goddard testified, children would remain unprotected against such hazards as plastic toys which splinter into sharp fragments, and electric toys bearing potential shock hazard.

A witness from the Accident Prevention Division of the Public Health Service estimated that power mowers alone caused 100,000 accidents annually; power tools, 125,000; washing machines, 100,000; and such cooking utensils as skillets with improperly designed pouring spouts cause as many as 80,000 burn injuries annually.

Based upon the testimony of Dr. Goddard and other witnesses, and upon staff studies,

the committee has concluded that there is today no overall rational plan or pattern in national nonvehicular product safety legislation. The safe design and construction of the products sold to the American family now depend upon an incoherent patchwork of voluntary self-regulation, municipal ordinanace, and State and Federal law, characterized by broad variations in scope, adequacy, and uniformity. In response to these findings, the committee adopted as title II of S. 3298 an amendment creating a National Commission on Hazardous Household Products. The Commission is to be composed of seven members from the public including a chairman and vice chairman appointed by the President "from among persons specially qualified to serve on such Commission by virtue of their education, training, or experience." The Commission is directed to "* * * conduct a comprehensive study and investigation of the scope and adequacy of measures now employed to protect consumers against injuries which may be caused by household products. Such study and investigation shall include consideration of the following:

"(1) the identity of household products * * * which are determined to present an unreasonable hazard to the health and safety of the consuming public;

"(2) the extent to which self-regulation by industry affords such protection;

"(3) the protection against such hazardous products afforded at common law in the States, including the relationship of product warranty to such protection; and

"(4) a review of Federal, State, and local laws relating to the protection of consumers against such hazardous products, including the scope of coverage, the effectiveness of sanctions, the adequacy of investigatory powers, the uniformity of application, and the quality of enforcement."

The Commission is authorized to submit interim reports and is directed to transmit a final report to the President and to Congress not later than March 1, 1968. The final report is to contain a detailed statement of findings and conclusions of the Commission, together with its recommendations for such legislation as it deems appropriate. With respect to its powers, compensation of members, and administration, the Commission is closely patterned after such prior congressionally approved commissions as the National Commission on Food Marketing.

COSTS

The Food and Drug Administration estimates that the amendments to the Federal Hazardous Substance Labeling Act contained in S. 3298 will not entail additional annual expenditures. The National Commission on Hazardous Household Products is authorized to expend not more than $2 million for the full life of the Commission.

Mr. MAGNUSON. Mr. President, S. 3298, the bill to create a National Commission on Hazardous Household Products and to strengthen the Hazardous Substances Act, which passed the Senate today, represents the first work product of the new Consumer Subcommittee of the Senate Commerce Committee.

Throughout the year, as the committee became more and more deeply involved in questions of product safety, with the committees' strenuous efforts in the field of tire and auto safety, as well as with products covered by the Hazardous Substances Labeling Act, we became increasingly concerned at the absence of any overall plan or pattern in national product safety legislation. We found that the safe design and construction of the products sold to the American family rest on a flimsy patchwork of voluntary self-regulation, municipal ordinance, State and Federal law characterized by grave gaps and inadequacies.

During the hearings on the Child Protection Act, S. 3298, the Senator from New Hampshire [Mr. COTTON] and I had the opportunity to question Food and Drug Commissioner Goddard on the extent of legislation protecting consumers against nonvehicular accidents. In response to our questions, Dr. Goddard indicated that no effective legislation now exists to protect against design hazards in such products as household power equipment, including power mowers and power tools; electric household appliances, such as heaters, electric blankets, and broilers; and the flammability of household furnishings, such as drapes and upholstered furniture.

A witness from the Accident Prevention Division of the Public Health Service estimated that power mowers caused 100,000 accidents annually; power tools, 125,000; washing machines, 100,000; and cooking utensils, such as skillets with improperly designed pouring spouts, as many as 80,000 burn injuries. Goddard also testified that even with the passage of the Child Protection Act, children would remain unprotected against such hazards as plastic toys which splinter into sharp fragments and electric toys carrying a potential shock hazard.

It may be that the substantial efforts of industry to adopt and to conform to voluntary standards, such as the Underwriters' Laboratory standards for shock hazard, can provide sufficient protection; it may be that building codes can be amended to deal with such injury-producing home hazards as the shattering of sliding glass doors and the explosion of boilers and furnaces. It may be that the threat of liberalized common law product liability for injuries will be sufficient sanction to induce the vast majority of product manufacturers to take every reasonable precaution in the design and construction of potentially hazardous products.

We do not propose an automatic Federal solution for every potential product hazard, real or imagined. But we do not know all that we should know of the hazards inherent in the wide range of products which find their way into the home. There has been no systematic evaluation of the overall adequacy of measures, both voluntary and mandatory, designed to prevent the marketing of unreasonable hazardous products.

Senator COTTON and I, and the members of our committee, concluded that this was a job for a National Commission and Title II of the Child Protection Act so provides.

The Commission is to be composed of seven members, qualified by education, training, and experience, appointed by the President and is directed to—

Conduct a comprehensive study and investigation of the scope and adequacy of measures now employed to protect consumers against injuries which may be caused by household products. Such study and investigation shall include consideration of the following:

(1) the identity of household products * * * which are determined to present an unreasonable hazard to the health and safety of the consuming public;

(2) the extent to which self-regulation by industry affords such protection;

(3) the protection against such hazardous products afforded at common law in the States, including the relationship of product warranty to such law in the States, including the relationship of product warranty to such protection; and

(4) a review of Federal, State and local laws relating to the protection of consumers against such hazardous products, including the scope of coverage, the effectiveness of sanctions, the adequacy of investigatory powers, the uniformity of application and the quality of enforcement.

The Commission is authorized $2,000,000 to carry out its duties.

In this March 21 message on consumer interest, President Johnson urged expansion of the Hazardous Substances Labeling Act, saying:

Too many children now become seriously ill—too many die—because of accidents that could be avoided by adequate labeling and packaging of dangerous substances. This is a senseless and needless tragedy.

The child-protection amendments in S. 3298 will prevent much of this "needless tragedy."

The bill expands the Federal Hazardous Substances Labeling Act to provide for the labeling of unpackaged, as well as packaged, products containing hazardous substances. The bill would also ban the sale of toys containing hazardous substances and would authorize FDA to ban the sale of other substances which are so hazardous in nature that the public cannot be adequately protected by cautionary labeling. The bill would also make it clear that household products treated with pesticides are not exempt from the act.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

AMENDMENT OF THE INTERSTATE COMMERCE ACT RELATING TO BUS CHARTER SERVICE

The bill (S. 2893) to amend section 208(c) of the Interstate Commerce Act, and so forth, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 2893

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 208(c) of the Interstate Commerce Act is amended to read as follows:

"(c) Any common carrier by motor vehicle transporting passengers under a certificate issued under this part on or before January 1, 1967, or under any reissuance of the operating rights contained in such certificate, may transport in interstate or foreign commerce to any place special or chartered parties under such rules and regulations as the Commission shall have prescribed."

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report

(No. 1552), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

I. INTRODUCTION

The purpose of the bill is to amend section 208(c) of the Interstate Commerce Act (49 USC 308(c)) so as to require future applicants for motor common carrier passenger operating authority to show a need for bus charter service rights instead of automatically acquiring the right to perform such transportation service as an incident to obtaining a certificate to transport passengers over a regular route or routes.

II. NEED FOR PROPOSED LEGISLATION

Section 208(c) of the Interstate Commerce Act now permits any regular route common carrier of passengers by motor vehicle to transport, under a certificate issued pursuant to the provisions of part II of the act, special or chartered parties from any point on an authorized route 'to any place" as a destination point. The phrase "to any place" has been interpreted by the Commission to mean "to any place in the United States" (Ex Parte No. MC–29, Regulations Governing Special or Chartered Party Service, 29 M.C.C. 25, 48). Consequently, the grant of regular route authority to any bus company carries with it the right to perform charter service from any point on its authorized route to nationwide destinations.

In recent years abuses have arisen because of this automatic grant of bus charter service rights as an incident to the grant of regular route authority. The Chairman of the Interstate Commerce Commission testified that bus carriers have applied for the right to transport passengers over a short regular route solely for the purpose of obtaining automatic charter rights from points on such routes to all points in the United States. He further testified that some carriers conduct only token operations over their authorized routes in order to retain the right to engage in charter service throughout the country. Usually such operations are in the vicinity of a metropolitan area which provides access to a large charter service market which may already be adequately served by existing charter operators. For example, some carriers have been known to operate a single station wagon as their only regular route passenger service, while utilizing buses in the performance of charter service to points and places throughout the United States.

The president of the National Association of Motor Bus Owners, testifying as spokesman for nearly 1,000 carriers providing over three-quarters of the intercity motorbus transportation in the United States, gave further examples of abuses of automatic charter rights under present law.

He testified that an applicant sought a certificate to operate a station wagon transporting about five passengers a day between Platteville, Wis., and the Savanna Ordnance Depot Proving Ground at Savanna, Ill., largely to obtain charter service rights from Jo Daviess County and other Wisconsin points to the entire United States. Another applicant sought interstate authority between Sheridan and Indianapolis, a distance less than 30 miles, to add to intrastate authority between the same points, in order to obtain nationwide charter authority.

Under the provisions of the proposed amendment only certificates issued for bus authority prior to January 1, 1967, or under any reissuance of the operating rights contained in such certificate, would automatically have the right to perform special or chartered party service.

Any certificate issued after January 1, 1967, would not automatically carry with it such incidental rights. It is intended by the word "issued" to mean that not only must the Interstate Commerce Commission have served its report and order granting such regular route authority, but also that the applicant must have completed compliance with tariff filing and other necessary requirements following the Commission decision.

The "reissuance" of the operating rights contained in a certificate issued prior to January 1, 1967, would carry with it incidental charter rights, but the committee does not intend by this language to permit the severance and separate transfer of incidental charter rights from the underlying basic regular route authority.

Applicants for motor carrier passenger operating authority certificates which would be issued after January 1, 1967, must separately apply for regular route authority and for charter service rights. An application would be filed under section 208(c) to obtain regular authority upon the showing of need therefor, and an application would be filed in accordance with sections 206 and 207 of the Interstate Commerce Act to obtain charter service authority upon the showing of need therefor. The committee does not intend by this proposed amendment to bar an handicap in any way future bona fide applications for charter service authority. The Committee expects the Commission to administer the revised law on this subject with due regard for the needs of the public in considering future requests for additional charter service, when the requisite showing of necessity is made.

The proposed amendment would in no way affect the operations of presently authorized carriers. It would require future applicants for motor common carrier passenger authority to show a need for the service of transporting special or charter parties instead of, as today, automatically obtaining such rights as an incident to a grant of regular route authority.

III. EFFECT OF PROPOSED LEGISLATION ON THE NATIONAL TRANSPORTATION SYSTEM

In 1935 when the Motor Carrier Act was passed, charter services were only a small part of common carrier operations. Since 1935, charter operations have increased greatly and have accounted for an increasingly larger share of passenger motor bus revenues. In 1935, charter operations accounted for approximately 3 percent of the revenues of class I motor carriers. In 1965, charter operations accounted for approximately 11 percent of the revenues of class I bus carriers. They accounted for nearly 26 percent of the revenues of classes II and III bus carriers in 1963, the latest year for which figures are available for these two classes of bus carriers.

The Chairman of the Interstate Commerce Commission testified that many motorbus carriers are today able to render regularly scheduled service essential to thousands of communities because revenues from charter service offset operating losses incurred on certain intercity schedules. In some instances, he testified, regular route passenger bus service would be discontinued were it not for charter service.

The president of the National Association of Motor Bus Owners testified that class I intercity carriers of passengers in the eastern district with annual revenues of less than $1 million, reported overall operating expenses for the year 1965, not including income taxes, averaging 50.5 cents per bus-mile, or 94 percent of total revenues which averaged 53.8 cents per bus-mile. Revenues from passenger fares on regular route schedules averaged only 42.2 cents per bus-mile operated on such routes, considerably less than the amount of the operating expenses per bus-mile. Even including revenues from transportation of package express and the other nonpassenger services, the average revenue per mile was 48.5 cents, still less than the cost of providing the service. The revenues from charter service operations provided the difference between profit and loss for these bus companies.

The witness for the bus owners further testified that bus companies are able to afford to maintain and operate extra buses to handle greater volume of travel on weekends and holidays largely because of their ability to use substantial numbers of buses interchangeably in regular route service and charter operations.

The president of the Transportation Association of America testified that from the standpoint of number of passengers carried, the intercity bus is the most frequently used public carrier by far. In 1964, a total of 459 million passengers were carried by intercity buses, considerably more than the combined totals of 318 million carried by rail and 74 million carried by air. Intercity bus service is the cheapest form of passenger service—2.74 cents a passenger-mile compared to 2.99 cents for rail coach and 5.58 cents for aircoach. As such, intercity bus service is heavily relied upon by lower income families. Fully 55 percent of the total trips by bus are taken by persons that are members of families with incomes of less than $5,000 per year. With rail passenger service declining, the intercity bus is rapidly becoming the only means of public passenger transportation for short trips by lower income families and those persons not having access to a car.

In view of the importance of charter service revenues to operations of the motorbus industry, these valuable rights should not automatically be granted as an incident to regular route authority. The proposed amendment would accomplish this objective by requiring a separate showing of the need for regular route service and for bus charter service. The amendment would not affect existing operating rights or bona fide future applicants for charter service, but would insure that charter service business would continue to support regular route operations.

The proposed amendment is supported by the U.S. Chamber of Commerce, the Transportation Association of America, and the National Association of Motor Bus Owners. No testimony in opposition to the bill was offered at the hearing held on June 30, 1966.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Nos. 1542, 1544, and 1545.

The VICE PRESIDENT. Without objection, it is so ordered.

CONCESSIONS AT THE NATIONAL ZOOLOGICAL PARK TO CERTAIN NONPROFIT ORGANIZATIONS

The Senate proceeded to consider the bill (S. 3230) to authorize the Board of Regents of the Smithsonian Institution to negotiate cooperative agreements granting concessions at the National Zoological Park to certain nonprofit organizations and to accept voluntary services of such organizations or of individuals, and for other purposes, which had been reported from the Committee on Rules and Administration, with an amendment on page 2, after line 8, to strike out:

SEC. 2. The Board of Regents of the Smithsonian Institution is authorized to negotiate agreements granting such concessions as may be appropriated to facilitate the operation of the National Zoological Park and to provide services to the public. The gross receipts accruing to the Smithsonian Institution from such agreements under this section shall be covered into the Treasury in a special fund to be expended upon direction of

the Secretary of the Smithsonian Institution for research and educational purposes of the National Zoological Park, and such receipts are hereby appropriated for such purposes.

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Board of Regents of the Smithsonian Institution, in furtherance of the mission of the National Zoological Park to provide for the advancement of science and instruction and recreation of the people, is authorized to negotiate agreements granting concessions at the National Zoological Park to nonprofit scientific, educational, or historic organizations. The net proceeds of such organizations gained from such concessions granted under this subsection shall be used exclusively for research and educational work for the benefit of the National Zoological Park.

(b) The Smithsonian Institution is authorized to accept the voluntary services of such organizations, and the voluntary services of individuals, for the benefit of the National Zoological Park.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1580), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

S. 3230 would authorize the Board of Regents of the Smithsonian Institution to negotiate agreements granting concessions at the National Zoological Park to certain nonprofit organizations and to accept the voluntary services of such organizations or of individuals. This proposed legislation is the result of a recent Comptroller General decision (42 Comp. Gen. 651, May 27, 1963) that held that the Smithsonian Institution could not grant the Friends of the National Zoological Park, a nonprofit organization promoting educational purposes of the zoo, the privilege of conducting a coin-operated audio tour lecture system concession. The proceeds of the concession were to be used exclusively for educational purposes at the National Zoological Park. In summary of his position, the Comptroller General advised:

"We feel that the proposed arrangements with the Friends of the National Zoo would be unauthorized, however beneficial and desirable it might be. * * *

"We believe that authorization for entering such arrangements as proposed should be requested of the Congress."

Section 1 of S. 3230 would provide the remedy suggested by the Comptroller.

Section 2 of S. 3230 would have allowed the Smithsonian Institution to negotiate its cafeteria concession at the National Zoological Park, rather than award it on the basis of competitive bidding, and to retain the Government portion of the receipts from the negotiated agreement to be used for research and educational purposes for the benefit of the Zoological Park. Upon the recommendation of the Bureau of the Budget and at the request of the Smithsonian Institution the Committee on Rules and Administration has amended S. 3230 by deleting section 2 therefrom.

ADDITIONAL SPAN OF BRIDGE ACROSS THE MISSISSIPPI RIVER AT ROCK ISLAND, ILL.

The Senate proceeded to consider the bill (S. 1515) to include the construction of an additional span as part of the authorized reconstruction, enlargement, and extension of the bridge across the Mississippi at Rock Island, Ill., which had been reported from the Committee on Public Works, with an amendment on page 2, line 1, after the word "additional," to strike out "span," and insert "span to increase the capacity of the bridge"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (b) of the first section of the Act entitled "An Act authorizing the city of Rock Island, Illinois, or its assigns, to construct, maintain, and operate a toll bridge across the Mississippi River at or near Rock Island, Illinois, and to a place at or near the city of Davenport, Iowa", approved March 18, 1938 (52 Stat. 110), as amended, is amended by striking out the comma after "foregoing" and inserting in lieu thereof the following: "(1) the construction of an additional span to increase the capacity of the bridge and (2)".

SEC. 2. Subsection (c) of the first section of such Act of March 18, 1938, as amended, is amended by inserting before the period at the end thereof a comma and the following: "except that the construction of an additional span authorized as part of such reconstruction, enlargement, and extension shall be commenced not later than April 1, 1970, and shall be completed within three years after such date".

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1582), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of S. 1515 is to authorize the construction of an additional span as part of the reconstruction, enlargement, and extension of the toll bridge across the Mississippi River from Rock Island, Ill., to Davenport, Iowa, authorized by act of Congress approved March 18, 1938 (Public Law 446, 75th Cong.; 52 Stat. 110), as amended.

GENERAL STATEMENT

The act of March 18, 1938, authorized the city of Rock Island, Ill., to construct, maintain, and operate a toll bridge across the Mississippi River from Rock Island, Ill., to Davenport, Iowa, in accordance with the provisions of an act to regulate the construction of bridges over navigable waters, approved March 26, 1906.

The Rock Island Centennial Bridge was completed in 1940, and since that time the average daily traffic over the bridge has increased from 4,000 to nearly 15,000 per day.

The metropolitan area of Rock Island and Moline, Ill., Davenport, Iowa, and adjacent cities, has a total population of over 20,000. The area is highly industrialized, with an estimated 130 industries and about 30,000 employees on the Illinois side, and 180 industries with about 15,000 employees on the Iowa side. Being one metropolitan area, the traffic across the river produced by this employment is extremely heavy on the bridge.

The 1938 act was amended by an act approved July 11, 1956 (Public Law 682, 84th Cong.; 70 Stat. 520) to authorize the reconstruction, enlargement, and extension of the bridge and its approaches. The amendment also extended the period within which tolls could be charged so not to exceed 30 years from the completion of the reconstruction, enlargement, an extension of the bridge and its approaches as authorized therein. A further amendment by the act of August 14, 1958 (Public Law 85-629; 72 Stat. 582) required the completion of this work by July 1, 1963.

S. 1515 would grant authority for the construction of an additional span as part of the authorized reconstruction, enlargement, and extension of the bridge. It provides that the construction of such additional span shall be commenced not later than April 1, 1970, and shall be completed within 3 years after such date. The bill by providing that such span must be completed by April 1, 1973, would extend the time during which tolls may be charged by approximately 10 years or until April 1, 2003.

NEED FOR LEGISLATION

Section (c) of the act of March 18, 1938, as amended, provides that the reconstruction, enlargement, and extension of a toll bridge across the Mississippi River at or near Rock Island, Ill., by the city of Rock Island, shall be completed by July 1, 1963.

S. 1515, amends existing law to provide for construction of an additional span and extends the period for completion of such construction until April 1, 1973.

COST TO THE UNITED STATES IF LEGISLATION IS ENACTED

Enactment of this legislation will not result in any cost to the Federal Government.

COMMITTEE RECOMMENDATIONS

Under the provisions of the General Bridge Act of 1946, and interstate compact procedure, the States have authority to provide for interstate bridges without Federal legislation.

However, since the Rock Island Centennial Bridge Commission has been previously established by Federal law, and since it is urgent that steps be taken now to permit the Centennal Bridge to be utilized to its designed capacity to relieve the existing and anticipated traffic conditions, it is considered desirable to authorize the construction of an additional span at this time.

The committee accordingly recommends early enactment of this bill.

JOSEPH H. HIRSHHORN MUSEUM AND SCULPTURE GARDEN

The Senate proceeded to consider the bill (S. 3389) to provide for the establishment of the Joseph H. Hirshhorn Museum and for other purposes, which had been reported from the Committee on Public Works with amendments.

The amendments of the Committee on Public Works are as follows:

On page 1, line 5, after the word "and", to strike out "Madison" and insert "Jefferson"; on page 2, line 2, after the word "museum", to strike out "and sculpture garden to be used exclusively for the exhibition of works of art" and insert "and the area bounded by Seventh Street, Jefferson Drive, Ninth Street, and Madison Drive, in the District of Columbia is hereby made available to the Smithsonian Institution as the permanent site of a sculpture garden, both areas to be used for the exhibition of works of art."; in line 12, after the word "museum", to strike out "and" and insert "within said area lying south of Jefferson Drive and to provide a"; in line 15, after the word "the", to strike out "area" and insert "areas"; in line 21, after the word "Institution", to insert "In administering the sculpture garden the Board shall cooperate with the Secretary of Interior so that the development and use of the Garden is consistent with the open-space concept of the Mall, for which the Secretary

of Interior is responsible, and with related development regarding underground garages and street development."; on page 3, line 10, after the word "used", to strike out "exclusively"; and on page 5, after line 11, to strike out:

"SEC. 5. There are authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act, including all sums necessary for planning, constructing, and operating the Joseph H. Hirshhorn Museum and Sculpture Garden."

And, in lieu thereof, to insert:

"SEC. 5. There is authorized to be appropriated not to exceed $15,000,000 for the planning and construction of the Joseph H. Hirshhorn Museum and Sculpture Garden, and such additional sums as may be necessary for the maintenance and operation of such museum and sculpture garden."

The bill was reported from the Committee on Rules and Administration without amendment.

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That—

SECTION 1. (a) The area bounded by Seventh Street, Independence Avenue, Ninth Street, and Jefferson Drive, in the District of Columbia, is hereby appropriated to the Smithsonian Institution as the permanent site of a museum and the area bounded by Seventh Street, Jefferson Drive, Ninth Street, and Madison Drive, in the District of Columbia is hereby made available to the Smithsonian Institution as the permanent site of a sculpture garden, both areas to be used for the exhibition of works of art.

(b) The Board of Regents of the Smithsonian Institution is authorized to remove any existing structure, to prepare architectural and engineering designs, plans, and specifications, and to construct a suitable museum within said area lying south of Jefferson Drive and to provide a sculpture garden for the use of the Smithsonian Institution within the areas designated in section 1(a) of this Act.

SEC. 2. (a) The museum and sculpture garden provided for by this Act shall be designated and known in perpetuity as the Joseph H. Hirshhorn Museum and Sculpture Garden, and shall be a free public museum and sculpture garden under the administration of the Board of Regents of the Smithsonian Institution. In administering the sculpture garden the Board shall cooperate with the Secretary of Interior so that the development and use of the Garden is consistent with the open-space concept of the Mall, for which the Secretary of Interior is responsible, and with related development regarding underground garages and street development.

(b) The faith of the United States is pledged that the United States shall provide such funds as may be necessary for the upkeep, operation, and administration of the Joseph H. Hirshhorn Museum and Sculpture Garden.

(c) The Joseph H. Hirshhorn Museum and Sculpture Garden shall be the permanent home of the collections of art of Joseph H. Hirshhorn and the Joseph H. Hirshhorn Foundation, and shall be used for the storage, exhibition, and study of works of art, and for the administration of the affairs of the Joseph H. Hirshhorn Museum and Sculpture Garden.

SEC. 3. (a) There is established in the Smithsonian Institution a Board of Trustees to be known as the Trustees of the Joseph H. Hirshhorn Museum and Sculpture Garden, which shall provide advice and assistance to the Board of Regents of the Smithsonian Institution on all matters relating to the administration, operation, maintenance, and preservation of the Joseph H. Hirshhorn shall have the sole authority (i) to purchase or otherwise acquire (whether by gift, exchange, or other means) works of art for the Joseph H. Hirshhorn Museum and Sculpture Garden, (ii) to loan, exchange, sell, or otherMuseum and Sculpture Garden; and which wise dispose of said works of art, and (iii) to determine policy as to the method of display of the works of art contained in said museum and sculpture garden.

(b) The Board of Trustees shall be composed of the Chief Justice of the United States and the Secretary of the Smithsonian Institution, who shall serve as ex officio members, and eight general members to be appointed as follows: Four of the general members first taking office shall be appointed by the President of the United States from among nominations submitted by Joseph H. Hirshhorn and four shall be appointed by the President from among nominations submitted by the Board of Regents of the Smithsonian Institution. The general members so appointed by the President shall have terms expiring one each on July 1, 1968, 1969, 1970, 1971, 1972, 1973, 1974, and 1975, as designated by the President. Successor general members (who may be elected from among members whose terms have expired) shall serve for a term of six years, except that a successor chosen to fill a vacancy occurring prior to the expiration of the term of office of his predecessor shall be chosen only for the remainder of such term. Vacancies occurring among general members of the Board of Trustees of the Joseph H. Hirshhorn Museum and Sculpture Garden shall be filled by a vote of not less than four-fifths of the then acting members of the Board of Trustees.

SEC. 4. The Board of Regents of the Smithsonian Institution may appoint and fix the compensation and duties of a director and, subject to his supervision, an administrator and two curators of the Joseph H. Hirshhorn Museum and Sculpture Garden, none of whose appointment, compensation, or duties shall be subject to the civil service laws or the Classification Act of 1949, as amended. The Board of Regents may employ such other officers and employees as may be necessary for the efficient administration, operation, and maintenance of the Joseph H. Hirshhorn Museum and Sculpture Garden.

SEC. 5. There is authorized to be appropriated not to exceed $15,000,000 for the planning and construction of the Joseph H. Hirshhorn Museum and Sculpture Garden, and such additional sums as may be necessary for the maintenance and operation of such museum and sculpture garden.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1583), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

S. 3389 would establish within the Smithsonian Institution the Joseph H. Hirshhorn Museum and Sculpture Garden for the purpose of housing and making available for public viewing the large private collection of paintings, drawings, and sculpture valued at $25 million offered by Mr. Joseph H. Hirshhorn to the Smithsonian Institution on behalf of the American people.

The Senate on May 19, 1966, ordered that the bill be first referred to the Committee on Public Works and subsequently to the Committee on Rules and Administration for consideration of those aspects of the proposal within their respective jurisdictions. The Committee on Public Works reported S. 3389 favorably with amendments on August 30, 1966 (S. Rept. 1538, 89th Cong.). A summary of the bill as amended and reported by that committee is as follows:

"*Section 1.* (a) Makes available to the Smithsonian Institution the areas bounded by Seventh Street NW., Independence Avenue, Ninth Street NW., and Madison Drive in the District of Columbia as the permanent site of a museum and sculpture garden.

"(b) Authorizes the Board of Regents of the Smithsonian Institution to remove any existing structure, to prepare architecture and engineering designs, plans, and specifications and to construct a suitable museum and sculpture garden within the areas designated in (a).

"*Section 2.* (a) Designates the museum and sculpture garden as the Joseph H. Hirshhorn Museum and Sculpture Garden, and provides that it shall be a free public museum and sculpture garden under the administration of the Board of Regents of the Smithsonian Institution.

"(b) Pledges the faith of the United States to provide necessary funds for the upkeep, operation, and administration of the Joseph H. Hirshhorn Museum and Sculpture Garden.

"(c) Designates the Joseph H. Hirshhorn Museum and Sculpture Garden as the permanent home of the collection of art of Joseph H. Hirshhorn and the Joseph H. Hirshhorn Foundation, with the provision that it be used for the storage, exhibition, and study of works of art and for the administration of the Joseph H. Hirshhorn Museum and Sculpture Garden.

"*Section 3.* (a) Establishes in the Smithsonian Institution a Board of Trustees to be known as the Trustees of the Joseph H. Hirshhorn Museum and Sculpture Garden, and designates the Board of Trustees as the sole authority to purchase or acquire works of art for the Joseph H. Hirshhorn Museum and Sculpture Garden, to loan, exchange, sell, or otherwise dispose of said works of art and to determine policy as to the method of display of the works of art.

"(b) Designates the composition of the Board of Trustees, the manner in which the eight general members shall be appointed and their terms of office.

"*Section 4.* Provides that the Board of Regents of the Smithsonian Institution may appoint and fix the compensation of a director, an administrator, and two curators of the Joseph H. Hirshhorn Museum and Sculpture Garden, and such other officers and employees as may be necessary to administer, operate, and maintain the Joseph H. Hirshhorn Museum and Sculpture Garden.

"*Section 5.* Authorizes an appropriation not to exceed $15 million for the planning and construction of the Joseph H. Hirshhorn Museum and Sculpture Garden and such additional sums as may be necessary for the maintenance and operation of such museum and sculpture garden."

The jurisdiction of the Committee on Public Works in this respect embraces "measures relating to the construction or reconstruction, maintenance, and care of the buildings and grounds of * * * the Smithsonian Institution" as well as "public buildings and occupied or improved grounds of the United States generally." Accordingly, that committee has reported primarily on the proposed site and structures contemplated by the bill.

The jurisdiction of the Committee on Rules and Administration embraces all other matters relating to the Smithsonian Institution, which in respect to S. 3389 means primarily sections 3 and 4.

Mr. MANSFIELD. Mr. President, that concludes the call of the calendar, and I thank the Senate for its consideration.

ORDER OF BUSINESS

Mr. DOMINICK. Mr. President, a parliamentary inquiry.

Is there a morning hour this morning?

The VICE PRESIDENT. Yes. A limitation of 3 minutes on statements during the morning hour was agreed to.

WHO'S IN CHARGE OF MONEY MATTERS?

Mr. DOMINICK. Mr. President, recently, in some of the newspapers in my area, there have been some fairly important articles which I think bear on a number of the problems which face us in this country, and in the Senate in particular.

One of the articles, dated August 19, is entitled "Who's in Charge of Money Matters?" It strikes me that this particular article, which is an editorial from the Denver Post, dated August 19, is particularly appropriate at this time, when there have been a number of rumors circulating through the press and through the Senate that it is possible that we will be asked to change fiscal policy this year, as well as dealing with the inflationary problems of this country on a monetary basis.

I ask unanimous consent that this editorial of August 19 be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

WHO'S IN CHARGE OF MONEY MATTERS?

Part of the American economic problem is that there are immense amounts of money and credit—particularly credit—sloshing through some sectors of the economy. Where this loose money and credit tends to make demand for goods outpace production, there is the threat of inflation.

The other part of the problem is that some sectors of the economy—construction, housing, sales compared to inventories—are trending down. Here the threat is deflation.

So what does the federal government, charged with responsibility for maintaining full employment while avoiding ruinous inflation, do? This week at least, the answer is nothing. But others have been busy.

The nation's bankers raised interest rates to a 40-year high; a day later the Federal Reserve System—which is in the government but independent of either legislative or White House control—cut down the amount of money the banks will have available to lend at those higher rates.

The effect of both these actions should be deflationary. That is, higher interest rates should discourage some would-be borrowers and the cutback in money supply should reinforce whatever urge bankers still have to say no.

But if inflation is the main threat to the nation's economic health—and most, but not all, economists think that it is—two questions arise. Are these small squeezes on the money and credit supply enough to head off inflation? And is anyone involved coordinating with anyone else?

There are certainly reasons for doubt that these two actions will do the job. The Wall Street Journal quotes a California banker as saying that tightening money and credit this way is like putting on the brakes on the right front wheel of a car roaring down the road at 70 mph: you may distort the car's path, cause the car to swerve off the road, but you won't stop it that way.

The distorting effects of soaring bank interest rates have already been visible in the drying up of the home mortgage money supply. It will be interesting to see what effects the latest moves have.

We would doubt whether either the interest rate boost or the money supply cutbacks will make too much difference.

Raising interest rates used to have a powerful effect in slowing down the economy. Would-be borrowers would quickly pull back and business expansion would slow up.

So far this year, though, rising interest rates have not had that effect. Businessmen, in particular, have gone right on borrowing. Why? Apparently because loan interest is deductible before taxes on corporate income tax returns, so higher interest rates cost a booming corporation relatively little. This latter-day fact of life takes much of the sting out of higher interest rates for businessmen in a time of rising prices and profits.

Similarly with the Federal Reserve's cutback in back loan funds; the amount of money "frozen" in banks is about $450 million.

How much effect this will have on an economy roaring along at an annual gross national product rate of nearly $730 billion is questionable.

No one, of course, can be sure what effect these money and credit tightening measures will have. As Walter Heller, formerly the President's chief economic adviser, says: "Tight money is a subject we know very little about"—for the very good reason that America has had so little of it since the 1920s. But the best guess is that these tightening up measures will fall short of what's needed.

On the second question we raised, there seems to be no doubt about the answer: no one is really coordinating those anti-inflation measures.

The bankers did what comes naturally when demands for money and credit press hard on the supply: they raised the interest rates. The Federal Reserve, feeling the bankers were putting out too much money and credit, did what comes naturally for the Fed: it froze some of that money so the bankers can't lend it out.

But the White House and Treasury seem neither to be doing anything themselves nor trying to coordinate the actions of others.

We trust that stance won't last much longer. In the present "iffy" state of the economy someone needs to be visibly in charge.

SUITABILITY OF DENVER AS SITE FOR BEVTRON

Mr. DOMINICK. Mr. President, there have been discussions on the floor of the Senate between the Senator from Missouri [Mr. LONG] and myself in connection with the climatic conditions, the degree of scientific ability, and transportation access, as far as Denver is concerned in connection with our application to be one of the chosen sites for the Bevtron.

Recently two newspaper articles were published in the Denver Post to which I shall refer. Both articles appeared in the Denver Post of August 21, 1966.

The first article refers to a report from the Mountain States Telephone Co. as to its estimates of the population increase in the Rocky Mountain area over the next decade. The report deals specifically with the reasons why people are coming into our area. We hope that this will continue. In addition, the article gives a good factual background as to the reasons for our economic and population growth over the past 10 to 15 years.

Mr. President, the second article from the Denver Post is entitled "Scientists Prefer Colorado." This article is very interesting because it relates to a survey which was conducted by a Denver-based management and recruiting company, in which they made a survey of approximately 100,000 degree-holding scientists, engineers and technical administrators. Of all the people they interviewed, 82 percent listed Colorado as their first choice of the place to which they would like to move, and where they would like to work. I admire their judgment, having been a refugee from the East myself, I know what a wonderful State Colorado is.

The survey clearly shows the climatic conditions, working conditions, and all of the other attributes that make Colorado not only an appropriate place for scientists, and others as well, but also a very favorable place for the location of our Bevtron, which will accelerate this infusion of new brains, blood, and ideas into our scientific community which is growing so rapidly and ably at this time.

Mr. President, I ask unanimous consent to have printed in the RECORD the two articles from the Denver Post of August 21, 1966.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

TELEPHONE CO. VIEW: AREA GROWTH FORECAST LABELED CONSERVATIVE

Mountain States Telephone Co. says it believes that estimates by the U.S. Census Bureau that population in the Rocky Mountain States will increase 25 per cent between now and 1985 are conservative.

The company makes its statement in a special issue of Monitor, its house magazine distributed to its employes in Colorado, Wyoming, Montana, Idaho, Utah, Arizona, New Mexico and the El Paso area of Texas which it serves.

The special issue is called "The Rockin' West!"

Factors which Mountain States Telephone says it believes will speed the economic growth of this area are spelled out in an article by Roger Willbanks, business research statistician for the firm.

"We in the Mountain States stand on the threshold of a magnificent future," says Willbanks.

With the predominance of nuclear, electronic and aerospace facilities, we perhaps have the most modern industrial base in the world.

"Our natural resources are among the most impressive to be found anywhere.

"We have the nation's largest known reserves of such modern minerals as uranium, molybdenum, beryllium and oil shale.

"We are centrally located with plenty of room for people and industry to grow.

"Our scenery and climate offer wide variation, and to many are unexcelled.

"We have progressive legislatures modernizing tax structures to improve the business environment.

"We have unlimited recreational potential and an extensive interstate highway system bringing outdoor enjoyment within easier reach of everyone.

"All this doesn't mean things will be all sunshine and happiness. They never have been. Our region always reserved its greatest rewards for those able to meet its challenges.

"Four out of every 100 Americans live in the Mountain States region. The United States Census Bureau projects that by 1985 nearly 5 out of every 100 will live here.

"We believe that estimate is conservative."

Monitor points out in its special edition that "Westerners are working today in industries that were not even here a generation ago."

It adds: "Developers looking for ideal sites are increasingly turning to the West with its abundance of raw materials, available transportation, skilled labor, progressive government and room to expand."

It says the West's economic cycle that began a century ago started with agriculture and mining and even with space-age jobs almost everywhere, agriculture and mining remain of prime importance.

The "Rockin' West," says Monitor, is "a place to work, a place to enjoy, a place to learn—and a place to grow."

EXTENSIVE SAMPLING: SCIENTISTS PREFER COLORADO

(By Dick Johnston)

Eighty per cent of the nation's graduate engineers and scientists would prefer to live and work in Colorado compared with any other state, according to an extensive sampling by a Denver-based management and recruiting company.

Edward Isaacson, president of Lead International and of a newly formed companion corporation, Space International, said Colorado's attractiveness to highly trained men in such fields as research, aerospace and electronics was first spotlighted in a Lead survey about two years ago.

At that time, 100,000 degree-holding scientists, engineers and technical administrators were asked to indicate state preferences for job opportunities. Eighty-two percent listed Colorado first.

Approximately the same percentage preference has held true since then in Lead's processing of some 75,000 applications annually from persons seeking professional advancement.

Some scientists and engineers now working in other states, especially parts of the South, would be willing to move to Colorado for the same, or even less, pay, Isaacson said. However, he added, Colorado does not yet offer the number and type of job opportunities some other areas do.

Second to Colorado in preference as a place to work is California, followed by Texas. Among the higher educated men, such as those with doctorate degrees, the preference for Colorado runs up to 90 per cent.

Two centers of the aerospace industry, Los Angeles, Calif., and Huntsville, Ala., are cited first on many applications because they offer a large number of jobs and possible swift advancement. But the Denver area is the unquestioned first choice as a place for family living, Isaacson continued.

Lead International which he formed here in 1947 with his wife, Carron, as vice president, has engaged in U.S. and European recruiting of scientists and engineers for major industrial companies.

Last month they set up Space International as their recruiting operation and began switching Lead to specialization in management systems studies and surveys.

Isaacson said the firms now have contracts with 200 of the nation's major companies. Newest contract for Space International is one for $72,000 with Douglas Aircraft Co. to find personnel for its manned orbital laboratory work.

The Denver firm has lined up 500 scientists and engineers for interviews with Douglas management. A Space International team left last week for Los Angeles to work on the Douglas contract and inaugurate a new cost-saving technique for recruitment by big firms.

Space will conduct a symposium for Douglas Department heads and other management-level officials. A system of charging recruitment costs against the departmental budgets is being set up.

This technique, in effect, forces faster decision-making on hirings in the departments, cutting down loss of time and loss of talented applicants.

Newly appointed general manager for Space is Charles Meno, former personnel manager of Chrysler Corp. operations at Cape Kennedy, Fla. Another new addition to the Space staff is Milton (Chick) Cook, former marketing manager in Pomona, Calif., with 22 years of engineering experience.

Lead and Space, with home offices at the Denver Technological Center, has a total staff of 16 with branch offices in Beverly Hills, Calif., and London, England.

The home office which moved into a new building last fall is completing installation of computer equipment to allow almost instant compilation of statistics and lists of potential employees for client companies.

ORDER FOR ADJOURNMENT FROM TODAY UNTIL 9 A.M. TOMORROW, AND FROM TOMORROW UNTIL 12 O'CLOCK NOON ON TUESDAY NEXT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 9 a.m. tomorrow, Friday, and that immediately after convening tomorrow the Senate stand adjourned until 12 o'clock noon on Tuesday next.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, in other words, no business will be transacted tomorrow.

Mr. CLARK. Mr. President, I ask unanimous consent that I may proceed for not in excess of 10 minutes.

The VICE PRESIDENT. Without objection, it is so ordered.

WORLD DISARMAMENT AND DEVELOPMENT ORGANIZATION TO SUPPLEMENT UNITED NATIONS

Mr. CLARK. Mr. President, in 1958, the Harvard University Press published a most important volume entitled, "World Peace Through World Law," written jointly by Grenville Clark, now of Dublin, N.H., and Prof. Louis B. Sohn, of the Harvard University Law School.

This volume contained a detailed, article-by-article proposed revision of the charter of the United Nations designed to make that body an effective instrument for bringing about general and complete disarmament under enforceable world law.

The goal of general and complete disarmament was accepted as an integral part of U.S. foreign policy during the concluding years of the Eisenhower administration, under the leadership of Secretary of State Christian Herter. It was subsequently refined, made more specific, and emphasized by President John F. Kennedy in a series of speeches he made during the years 1961, 1962, and 1963.

The policy is purportedly still that of the Johnson administration. Outlines of draft treaties setting forth the steps which need to be taken to achieve general and complete disarmament under enforceable world law have been pending at the 18-nation Disarmament Conference in Geneva ever since early in 1962.

Messrs. Clark and Sohn concluded a few years ago that prospects for the needed revision of the United Nations Charter were dim, indeed. Accordingly, they prepared a proposed treaty establishing a world disarmament and world development organization which would have a connection with the United Nations but would not operate within the limitations of the present charter.

Such a world disarmament and world development organization might well spring, at a future date, from the disarmament negotiations at the 18-nation conference in Geneva.

The proposed treaty establishing a world disarmament and world development organization has recently been translated into Japanese, at the instance of the two authors, Messrs. Clark and Sohn.

In connection with the Japanese translation, an introduction has been prepared by the authors, stating their reasons for advocating this approach to world disarmament as opposed to their initial approach, which would have called for a comprehensive revision of the United Nations Charter.

Mr. President, I ask unanimous consent that a copy of the introduction to the Japanese translation of the proposed treaty establishing a world disarmament and world development organization be printed in the RECORD.

The PRESIDING OFFICER (Mr. MCGEE in the chair). Is there objection?

There being no objection, the introduction was ordered to be printed in the RECORD, as follows:

INTRODUCTION

(By Grenville Clark, Dublin, N.H., and Louis B. Sohn, Harvard University Law School, Cambridge, Mass.)

As the joint authors of "A Proposed Treaty Establishing a World Disarmament and World Development Organization", we are honored to have translated into Japanese by eminent scholars this alternative plan of ours for an effective world federation to prevent war. We welcome the opportunity to explain our reasons for such a plan as an alternative to the drastic revision of the United Nations Charter as proposed in our book "World Peace Through World Law", first published in 1958 and recently in a third edition by the Harvard University Press.

The rationale of this alternative plan is that the creation of a new and adequately empowered world organization to supplement the United Nations is likely to prove a more feasible procedure to accomplish the desired end of a disarmed and warless world than the necessary radical revision of the Charter.

Why do we believe that this alternative is probably a more feasible method than the necessary thorough revision of the U.N. Charter? The answer is that over the years since 1945 inflexible positions have been taken by both large and small countries which for psychological reasons deep in human nature, make it virtually impossible to adopt the radical changes in the Charter which are essential to its adequacy. On the other hand, it is possible, we believe, to avoid or overcome these difficulties by making an entirely fresh start with a wholly new organization, with membership open to all nations and closely affiliated with the United Nations.

As early as 1961 we arrived at these conclusions, based upon the experience of the fifteen years since the adoption of the Charter in 1945. Article 109 of the Charter provided that in the tenth year after adoption, the question of holding a revision conference must be on the agenda of the General Assembly, but when 1955 came all that happened was the appointment of a committee to report as to whether the time was opportune for such a conference. No favorable report was then made and, incredible as it may seem in view of the basic and obvious deficiencies of the United Nations, similar denying reports have been made in every subsequent year with no prospect whatever, as of 1966, that a revision conference is any more likely in the foreseeable future than in the eleven years since the question was supposed to be voted upon in 1955.

Meanwhile, vested interests have grown up to make the future prospects for drastic Charter revision even less than when the question came on the agenda in 1955. For example, if one thing is apparent, it is that unless the voting system in the General Assembly is changed so as to abolish the unrealistic one-vote-for-each-country rule, irrespective of population or any other factor, the major powers will refuse to confer any important authority on that body. And yet with the addition of some fifty small-country members which value this unrealistic system as a means of influence and a symbol of status, it seems more unlikely than ever that this all-important change can be made. Moreover, even in face of near bankruptcy, no move is under way to substitute a reliable revenue system for the precarious reliance upon voluntary annual contributions by the members; nor any real effort to abolish the veto in the Security Council which has so often paralyzed that body.

This failure to act for U.N. Charter revision not only ignores the obviously precarious state of the U.N., but also the warnings of its best friends. For example, such a warning was issued in June 1965 by an unusual group of fourteen persons from thirteen nations meeting near San Francisco. This group, assembled by C. Maxwell Stanley, now President of the United World Federalists of the United States, included the eminent scientist Hideki Yukawa, and two former Presidents of the General Assembly, Carlos P. Romulo and Zafrullah Khan. The group unanimously declared that "The UN and the world community cannot survive without enforceable world law, world police, and world courts for the maintenance of international peace and security" and solemnly warned that "Unless drastic changes are made in the UN Charter, there is grave danger that the UN may not survive the next ten years." This message was sent to all the delegates who met to celebrate the twentieth anniversary of the Charter.

Nevertheless, no attention has been paid either to this warning or to numerous other petitions for a Charter review conference, and it is time to face the fact that for the foreseeable future there is no prospect whatever that the Charter will be so revised as to enable the U.N. to fulfill its principal declared objective, namely, "to maintain international peace and security."

In this situation, what should the workers for world order do? Should they blindly continue to insist that the Charter must be radically revised in spite of the obstacles almost certain to frustrate such a revision for an indefinite time? Or should they abandon the objective of an effective world organization as hopeless? Or should they look for an alternative method, such as the creation of a new and adequately empowered world organization, open to all nations, such as the World Disarmament and World Development Organization proposed in our Draft Treaty?

It is this third course which we advocate, since the case for world federalism, as demonstrated by events, is stronger than ever.

The Viet-Nam war should be regarded as an inevitable consequence of the prevailing state of lawlessness as between the nations, evidenced also by the vast waste of material and human resources in the arms race, which continues at an annual cost of some $140 billion, and by the constant tensions which are the result of these conditions.

There is no reason whatever to suppose that these conditions will improve unless and until there is established a really effective world federation equipped to supervise complete national disarmament, to settle all disputes between nations by peaceful means and to bring about a real improvement in the living standards of the two thirds of all the world's people who now live in dire poverty.

If, as we grieve to say, there appears to be no chance in the foreseeable future for such a world federation through Charter revision, why not at least examine with care the alternative method which we present for consideration?

This is the spirit and purpose of our Draft Treaty and we deem it an honor that its first translation has now been made into Japanese.

Mr. CLARK. Mr. President, this statement contains a cogent argument in support of the proposed treaty. It has convinced me that the best long-range approach to world peace through world law is that outlined in this proposed treaty by Messrs. Clark and Sohn, rather than by revision of the charter of the United Nations, as suggested in their original plan.

In this time of increasing world tensions, when we are at war in Vietnam, when we see a deterioration in the NATO structure, and when there is reason to fear that some of the acts of our Government—and of many other governments as well—will have the effect of advancing international conflict rather than international cooperation, I would hope that Senators and other readers of the CONGRESSIONAL RECORD would give careful thought to the suggestion of Messrs. Clark and Sohn.

Mr. President, we are going to have to get a peace offensive, and a strong one, underway, and promptly, if the world is not to disintegrate with a nuclear world war III.

It is far later than we think.

It is not just nuclear war we fear. Threats of chemical, biological, and radiological war hang over the heads of all of us as well.

Conventional war is now being fought on a massive basis in Vietnam and is threatening to erupt elsewhere in the world.

Accordingly, I would hope that the administration and the governments of other countries would turn their thoughts away from the diplomacy of power politics and turn them toward measures of international cooperation which might bring a just and lasting peace in our lifetime.

As an earnest, able, and carefully reasoned approach to such a posture on the part of our Government, and indeed, all the other members of the United Nations, and the Communist nations as well, including Communist China, I strongly support the proposal presented by Messrs. Clark and Sohn.

SMALL BUSINESS INVESTMENT COMPANY PROGRAM

Mr. PROXMIRE. Mr. President, I anticipate that within a few minutes a minority member of the Subcommittee on Small Business of the Committee on Banking and Currency will be in the Chamber.

Meanwhile, we want very much to be able to take up S. 3695 during the morning hour, as soon as the other member of the subcommittee appears. In the meanwhile, I should like to speak briefly on the bill.

Mr. President, during July and August of this year, the Senate Small Business Subcommittee, Permanent Investigations Subcommittee, and the House Select Committee on Small Business each held hearings on the small business investment company program. These hearings clearly show that the Administrator of the Small Business Administration needed additional tools to regulate the SBIC program.

Mr. President, I introduced S. 3695—which I hope we can take up and pass this morning—on August 8, 1966. The cosponsors of the bill are the Senator from Alabama [Mr. SPARKMAN], chairman of the Senate Select Committee on Small Business, the Senator from Texas [Mr. TOWER], the ranking minority member of the Small Business Subcommittee, the Senator from Oklahoma [Mr. HARRIS], who very effectively chaired the hearings on the SBIC program held by the Permanent Investigations Subcommittee, and the Senator from South Dakota [Mr. MUNDT], the ranking member of that subcommittee. All of us are vitally interested in seeing that Mr. Boutin has more adequate supervisory powers regarding SBIC's.

I would like to compliment the Senator from Oklahoma [Mr. HARRIS], for the excellent way in which he conducted the hearings of the Permanent Investigations Subcommittee on the SBIC program. The staff of that subcommittee cooperated with the staff of the Small Business Subcommittee on this bill and portions of a bill that the Senator from Arkansas [Mr. MCCLELLAN] and the Senator from Oklahoma [Mr. HARRIS] have drafted are included in this bill. I had agreed to engage in a colloquy with the Senator from Oklahoma on this bill but he is unable to be here today. If the bill is not brought up today I will, of course, be happy to discuss the bill with the Senator from Oklahoma when the bill is acted upon.

This is, frankly, a compromise measure which we have discussed in great detail with the leaders of the small business investment industry. It is a compromise measure. It is the result of their best thinking and I believe an acceptable compromise which will work.

This bill would: First, Authorize SBA to revoke SBIC's licenses after Administrative proceedings. SBA now has power to suspend licenses;

Second. Authorize SBA to issue cease-and-desist orders to individuals as well as SBIC's who have violated or are about to violate provisions of the Act or regulations. The present law provides for the issuance of cease and desist orders

against SBIC's for a violation of the Act or regulations; and

Third. Authorize SBA to remove or suspend officers or directors of an SBIC. Appropriate administrative proceedings and judicial review are provided when these powers are exercised.

Mr. President, the Banking and Currency Committee reported out S. 3695 without objection. This bill would amend the Small Business Investment Act of 1958, and the Small Business Act and other laws. There are no objections to the bill by the Small Business Administration or the National Association of Small Business Investment Companies. It is noncontroversial.

This bill would strengthen the authority of the Administrator of the SBA to supervise more effectively the small business investment company program. This is the primary purpose of the bill.

I would like to discuss the main provisions of the bill:

The bill would clarify the authority of the Administrator of the SBA by deleting from title II of the Small Business Investment Act of 1958 the provisions that the powers conferred on the Administration shall be exercised through the Small Business Investment Division and the powers conferred on the SBA Administrator shall be exercised by him through a Deputy Administrator. The provision establishing an Investment Division is retained in the Act. This bill also provides that the present title of Deputy Administrator be changed to Associate Administrator. The bill would create a Deputy Administrator who would be Acting Administrator of SBA in the absence of the Administrator, or in the event of a vacancy in the office of Administrator. This provision conforms to standard practice in other departments and agencies of the Government.

The PRESIDING OFFICER. The Senator's 3 minutes have expired.

Mr. PROXMIRE. I ask unanimous consent that I may have 2 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PROXMIRE. Mr. President, S. 3695 would authorize SBA to revoke licenses of SBIC's after administrative proceedings. SBA now has authority to suspend licenses, but it needs this additional authority to move against those SBIC's who have seriously violated the act or regulations. This procedure would be conducted under procedure set out in the Administrative Procedure Act. There is ample protection against arbitrary action on the part of SBA.

S. 3695 would amend the Small Business Investment Act to authorize SBA to issue cease and desist orders against individuals, as well as SBIC's who have violated or are about to violate the act or regulations. The present law provides SBA authority to issue cease and desist orders against an SBIC for any violation of the act or regulations. This amendment will enable SBA to reach officers, directors, and other persons with a cease and desist order where in the past the order only was effective against the SBIC, which in many cases may just be a corporate shell.

S. 3695 also authorizes SBA to remove or suspend officers or directors of an SBIC after appropriate administrative proceedings and judicial review. The provisions in this bill relating to removal or suspension of officers or directors contain the same safeguards as were provided in the Financial Institutions Supervisory Act, S. 3158, which passed the Senate without objection August 22, 1966. Under this bill an SBIC officer or director may be removed if three specific findings are made—first, that he has committed a violation of law or regulation or of a final cease and desist order or has engaged in a practice which constitute a breach of his fiduciary duty; second, that the SBIC has suffered or will probably suffer substantial loss or that the interest of the SBA could be seriously prejudiced; and third, in addition to the other two conditions, that the violation or breach of fiduciary duty involves personal dishonesty on the part of the director or officer.

This is a very limited power. In every case personal dishonesty must be involved as well as substantial financial loss or other damage. Furthermore, the bill grants to the director or officer an opportunity to apply to the U.S. district court for a stay if a temporary suspension order is granted or to appeal from a final order to the appropriate U.S. court of appeals or the Court of Appeals for the District of Columbia Circuit.

Another ground for suspension or removal of a director or officer is having been charged in any information, indictment, or a complaint authorized by a U.S. attorney with the commission of or participation in a felony involving dishonesty or breach of trust. The director or officer may also be removed if he is convicted of the felony.

The bill also provides that wherever an SBIC violates any provision of the act or regulations, such violations shall be deemed to be also a violation on the part of any person, including the officers and directors of the SBIC, who participate in such violation. The bill makes it unlawful for any participant in the management of an SBIC to engage in any act or practice in breach of his fiduciary duty. It also provides that except with written consent of the SBA no person may take office or participate in the management of an SBIC who has been convicted of a felony or convicted or found civilly liable for fraud or other dishonesty. It would also provide that persons hereafter so convicted or found civilly liable could not, without consent of the SBA, continue to serve or participate in the management of an SBIC.

S. 3695 provides for the imposition of a fine of $100 per day against any SBIC which fails to file a required report to SBA unless the failure to file is due to reasonable cause and is not due to willful neglect.

The bill would provide a fine of not more than $10,000 or imprisonment of not more than 1 year, for any officer, director, or principal stockholder of an SBIC who knowingly offers any shares of stock in such SBIC as security for any loan to purchase an interest in such SBIC. These persons making these loans have 90 days after the passage of this act to substitute the SBIC stock used as collateral for other acceptable collateral.

The committee has not included in the bill any provision for personal civil liability of officers and directors for losses to SBA caused by violations of the act or regulations. I recognize that there can be a strong argument made for such liability, at least in cases not resulting from mistaken business judgment. This concept needs more study and clarification than is possible in this session.

Mr. Boutin, the Administrator of SBA, assured the committee that he would submit a bill which contains additional incentives to those who are now operating SBIC's and to those who may want to form an SBIC. Early next year the committee will also consider other matters which we did not have time to include in this bill, along with the incentive legislation which Mr. Boutin promises early in the next session.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. PROXMIRE. Mr. President, I ask unanimous consent for 1 additional minute.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PROXMIRE. Mr. President, I am happy to yield to the distinguished Senator from South Carolina [Mr. THURMOND], who has been a very diligent member of the Small Business Subcommittee and who also took part in doing highly competent work on this bill.

Mr. THURMOND. Mr. President, I wish to thank the distinguished Senator from Wisconsin and to commend him upon the outstanding work he did on this bill. This bill, S. 3695, grants to the Administrator of the Small Business Administration additional powers to enable him to deal with small business investment company operations more effectively.

I realize that this bill was acted upon quickly. At the same time, there were various and divergent views on the bill. Finally, a bill was agreed upon that appears to meet the objections, of most, if not all interested parties. At least, the controversial features have been eliminated.

The provisions of this bill are needed at once by the Small Business Administration to meet problems that have been arising in the small business investment company operations.

I believe this bill gives Small Business Administration officials the additional authority to deal promptly with these problems, since the bill includes new revocation powers, new reporting requirements and penalties, and authority for closer examination of the industry.

I am sure the committee will watch the effectiveness of this bill and take further action next year, if needed.

This bill probably does not accomplish everything that some of us would like to do, but we think it is a proper step and one that will be effective.

I again commend the Senator from Wisconsin.

Mr. PROXMIRE. I thank the Senator from South Carolina.

Mr. President, I ask unanimous consent that S. 3695, which is now at the desk, be made the pending business. This has been cleared with both the majority and minority. The bill was reported by the committee without objection. It is very urgently needed by the Small Business Administration. It is a noncontroversial bill.

The PRESIDING OFFICER. Is there objection?

Mr. WILLIAMS of Delaware. Mr. President, reserving the right to object, I hope the Senator will not press his request at this time, it may be all right, but the bill has not been printed. There is no bill before us to read. I wonder what the rush is in wanting to pass it before Members of the Senate can read it.

Mr. PROXMIRE. I may say to the Senator from Delaware that we have committee prints of the bill as reported and the committee report which are available. I shall be delighted to have the Senator from Delaware look at it.

It is obvious that this bill, like any noncontroversial bill on the calendar, cannot be considered if any Senator objects to having it taken up; and the Senator from Delaware is perfectly within his rights if he chooses to exercise them in this regard.

The bill was not controversial in committee. It is a bill which the committee strongly feels should be passed by the Senate before the Labor Day recess. The committee was unable to report this bill out until today. And today is the last day before the recess on which it can be passed so that it may go to the House, where it must pass through a committee before the House can consider it. It is the feeling of the committee that if action on the bill is delayed until after we return from the Labor Day recess, when the civil rights bill will be before the Senate, it will be extremely difficult to have the bill enacted before sine die adjournment. The bill provides the kind of supervisory authority that the SBA urgently needs, and needs now. The Administrator has asked for this authority. If Congress fails to give it to him, we may be responsible for loss of millions of dollars of taxpayers' and investors' money in November and December when Congress may be in recess. This is a bill designed to stop sharp practices and protect the Government investment and the taxpayer.

However, if the Senator from Delaware wishes to hold up the bill, he is, of course, perfectly within his rights to do so. The committee—both Republican and Democratic members—regarded this as a noncontroversial bill.

Mr. WILLIAMS of Delaware. I am always interested in noncontroversial matters; I sometimes propose them myself.

I do correctly understand that the bill changes the method of payment of taxes on losses sustained by investors in small business companies?

Mr. PROXMIRE. No. The bill does not affect taxes at all—in any way, shape, or form. It is completely and totally a supervisory bill. The bill contains no tax incentive provisions.

Mr. WILLIAMS of Delaware. Are taxpayers' investments in the stocks of small business investment companies now allowed as ordinary business losses or as a capital loss?

Mr. PROXMIRE. They are allowed as provided in the law at the present time. The bill does not change that situation.

Mr. KUCHEL. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. KUCHEL. Before the Senator discusses the merits of the bill, may we have an answer from the Senator from Wisconsin as to who on the minority side has cleared the bill?

Mr. PROXMIRE. In the first place, the Senator from South Carolina [Mr. THURMOND], who is a minority member of the Banking and Currency Committee and the Small Business Subcommittee, has just made a statement approving the bill. In addition, it is my understanding that the minority staff member, Mr. Egenroad, has discussed the bill with the minority members of the committee and has heard of no objection to the bill on their part and no objection to having the Senate act on it at once.

Mr. KUCHEL. I may say to the Senator from Wisconsin that the leadership on this side of the aisle, for which I am attempting to act at the moment, assumes the responsibility of clearing legislation by first ascertaining that the minority members of a particular committee approve it and that there is no objection from any other member of the minority. Under those circumstances, would the Senator from Wisconsin be willing to withdraw his request momentarily, until an appropriate answer can be ascertained with respect to the consideration of the bill?

Mr. THURMOND. I would say to the distinguished Senator from California that the minority members of the committee favor the bill. The distinguished Senator from Texas [Mr. TOWER], the ranking minority member, is in accord with it. The distinguished Senator from Iowa [Mr. HICKENLOOPER] sent his proxy. The other minority members of the committee are in accord with the purposes of the bill. There is no objection to the bill. Originally, there was objection to some provisions of the bill, but, as now reported, most of the controversial features have been removed. So as matters now stand, the minority is in accord. They would not be in accord if the bill had contained certain other features.

Mr. KUCHEL. I thank the Senator. I simply do not know whether the minority leader has cleared this bill.

Mr. THURMOND. I could not speak for the minority leader.

Mr. PROXMIRE. At the suggestion of the Senator from California, I shall certainly withdraw my request if the Senator from Delaware wishes me to do so. I should be reluctant to do so, because I would prefer to have the matter finished today, and not run the risk that it may be difficult to have the bill brought up on Tuesday. However, I recognize that Members have not had a chance to read the bill and the report as filed. If the bill cannot be brought up today, I trust that all Members of the Senate will take advantage of the 4 days intervening to study the bill so they will be able to act promptly on Tuesday.

The PRESIDING OFFICER. The Senator from Wisconsin has asked unanimous consent to call up S. 3695. Is there objection?

Mr. KUCHEL. There is objection.

The PRESIDING OFFICER. Objection is heard.

Is there further morning business?

Mr. KUCHEL. Mr. President, let me complete my statement on this problem.

If the leadership on this side clears the bill—and I shall ask the minority leader to pass judgment on it—there will be no objection, as far as I know, to the Senator from Wisconsin taking the bill up later in the day.

Mr. PROXMIRE. I should be delighted; and I shall be happy to discuss the matter further with the Senator from Delaware, who, as I understand, may have additional questions.

Mr. DOMINICK. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DOMINICK. It is a simple one. I am merely trying to understand the rules in this respect, and what our procedures are. I did not understand that it was the prerogative of a Senator, during the morning hour, to have that kind of bill made the pending business.

The PRESIDING OFFICER. It can be done by unanimous consent.

Mr. DOMINICK. Even during the morning hour?

The PRESIDING OFFICER. Even during the morning hour.

The Senator from California has the floor.

Mr. KUCHEL. I yield to the Senator from South Carolina.

Mr. THURMOND. Mr. President, I believe, as a matter of policy, it is better for bills to be considered carefully; I do not think they should be taken up too quickly. However, in this case there does appear to be an emergency, and for that reason I agreed to have the bill called up at this time. The Republican members of the committee agreed to the bill as it has now been reported.

RIGHT-TO-WORK LAW FOR THE TERRITORY OF GUAM

Mr. BYRD of Virginia. Mr. President, like 19 States, including Virginia, the territory of Guam wants a right-to-work law.

The territorial legislature earlier this summer overwhelmingly passed a bill providing that no person should be denied the right to work—if he wants to—because of membership or nonmembership in a labor union.

On July 8 territorial Gov. Manuel Guerrero—a presidential appointee—vetoed the bill. Four days later, the Guam Legislature, by a 14-to-6 vote, overrode the Governor's veto.

Federal law provides that, when the territorial Governor's veto is overridden, the bill is forwarded to the President of the United States, who then has three alternatives:

First. He may sign the bill into law;

Second. He may veto the bill; or

Third. He may allow the bill to become law without his signature by failing to act within 90 days.

The 90 days period on the Guam right-to-work bill started to run on July 22.

As of today the Office of Territories in the Interior Department is preparing a report to the President on "the legal and technical aspects of the bill."

I am advised that the Office of Territories expects the report to the President to be completed about September 1.

Following Governor Guerrero's veto of the island bill, Ricardo Salas, chairman of the Guam Legislature's Rules Committee, said:

This bill is designed to protect the basic right of individuals to choose either membership or nonmembership in labor organizations. The measure does not in any manner or form interfere with legitimate union activities nor does it restrict the right of employees to organize and bargain collectively with their employers.

The U.S. Senate in February killed an effort to repeal section 14(b) of the Taft-Hartley Act. In this action the Senate preserved the rights of States to enact right-to-work laws, if they want them.

I hope, in the Guam case, the President will permit the territory the privileges afforded under section 14(b) of the Taft-Hartley Act.

Now, Mr. President, I ask unanimous consent to insert in the RECORD following my remarks an editorial entitled "Guam's Right To Work," published in the Northern Virginia Daily, of Tuesday, August 30, 1966, whose able editor is J. J. Crawford, of Strasburg, Va.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Northern Virginia Daily, Aug. 30, 1966]

GUAM'S RIGHT TO WORK

The little 209 square mile unincorporated territory of Guam is providing President Johnson with what could turn out to be a kingsize headache. The unicameral legislature of Guam has managed to put the President squarely on the spot.

Here's what happened. The legislative body of Guam passed a Right to Work bill patterned after several well-established state Right to Work laws on the mainland. The heart of the Guam bill is expressed in Section 53002 which stipulates: "No person shall be denied the opportunity to obtain or retain employment because of non-membership in a labor organization . . ."

In other words, the majority of the 75,483 people of Guam want no part of compulsory unionism. They have made it clear they want the right to decide for themselves whether they, individually, will or will not join a union in order to hold a job.

But, the abolishment of the threat of compulsory unionism was not to be that easy. On July 8 the Federally appointed Territorial Governor of Guam vetoed the bill passed by the legislature. Four days after the Governor's action the 20-member legislature immediately overrode the veto by a vote of 14 to 6. Federal law provides that when a territorial governor's veto is overridden the bill in question is forwarded to the President. The President must do one of three things: sign the bill into law, veto the bill, or, if he fails to act within 90 days, the bill becomes law without the President's signature.

Thus, the President must now make a decision, which, regardless of which method he employs in deciding the fate of the bill, could be painful. All along LBJ has made no secret of his support for federal legislation which would abolish Section 14(b) of the Taft-Hartley Act. He long ago threw in his lot with organized labor in an effort to cram compulsory unionism down the throats of the people. Ironically enough, however, the President and the Democratically-controlled Congress were unable to deliver.

The power of the presidency and the power of organized labor combined were not enough to overcome the power of the people, approximately 70 percent of whom opposed repeal. Accordingly, the effort to kill Section 14(b) failed. The right of the individual states to ban compulsory unionism remains unviolated, at least temporarily.

The question now is, since there is no federal law to morally support him, will the President carry his allegiance to organized labor to the point of vetoing the Guam Right to Work law, against the islanders' overwhelming wishes? Or, will he risk the ire of his organized labor cohorts by approving the Guam bill?

It's an awkward position for LBJ who has been outspoken against Right to Work laws and equally outspoken for civil rights and individual freedoms. The fact that this bill involves, for the people of Guam, the important basic civil right of the individual's freedom to work, does not make it easier. On August 20, speaking at the University of Rhode Island, President Johnson said:

"If there is a single word that describes our form of society, it may be the word 'voluntary' . . . the tremendous prosperity we enjoy and the personal liberty we cherish, are at least good evidence that the system works."

If LBJ really means what he said there is only one thing he can consistently do—O.K. the Guam Right to Work bill.

POLLUTION OF LAKE MICHIGAN DURING DREDGING BY U.S. CORPS OF ENGINEERS PRESENTS SEVERE PROBLEM—PUBLIC WORKS COMMITTEE CHAIRMAN CONCERNED

Mr. RANDOLPH. Mr. President, I am concerned with the pollution of Lake Michigan in the Chicago area associated with the activities of the Corps of Army Engineers.

Because the Senate Committee on Public Works has general legislative authority over the civil functions of the Corps of Engineers and general legislative authority over the water pollution control program, I feel it is important to learn exactly the scope and extent of the corps' contribution to pollution of Lake Michigan. The corps has provided me with a comprehensive summary of this situation and recommended solutions to the pollution problem. In essence, the problem arises from dredging operations currently in progress in the north fork of the Chicago River. The material which the corps dredges from the Chicago River is taken out and dumped in an area of Lake Michigan where such dumping will not constitute a hazard to beaches or water-supply intakes.

According to the information I have received from the corps, changing the present disposal method would involve unloading the dredge material on shore and rehandling by trucks at an estimated cost probably in excess of $7.50 per yard instead of the contract unit price of approximately $1.50 per yard.

Mr. President, when the Federal Government recognized its responsibility to aid in the control of water pollution and, more specifically, when the administration issued an Executive order relating to pollution control by Federal agencies, most of us recognized that it would be more costly not to pollute than to allow pollution to continue.

The Corps of Engineers has assured me that "prior to the accomplishment of any future dredging work in the Chicago area, the problem of spoil disposal will be the subject of detailed study." While this is adequate assurance for the future, it is important that existing pollution be minimized and that Lake Michigan does not go the same route as Lake Erie.

The Corps of Engineers can and should request from the Congress sufficient funds to avoid polluting this great lake. The Corps has an obligation to protect the value of other resources when performing its authorized function. I earnestly urge the Corps of Engineers and the Bureau of the Budget to recommend adequate methods of pollution control for Lake Michigan.

I ask unanimous consent that the communication from the Corps of Engineers regarding their operations on Lake Michigan be inserted at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

ARMY CORPS OF ENGINEERS DREDGING OF GREAT LAKES HARBORS AND CHANNELS

1. *Problem:* In recent months greatly increased attention has been given to the pollution of the Great Lakes. In connection therewith some local and state interests have protested the dredge spoil disposal operations of the Corps of Engineers on the grounds that this activity is contributing to pollution of the Lakes.

2. *Facts:* a. New work and maintenance dredging of the harbors and channels of the Great Lakes has been carried on by the Corps of Engineers for many years. In many instances the dredge spoil has been disposed of in open waters of the Lakes. This practice has been followed because it is usually by far the most economical means of accomplishing this work.

b. Executive Orders 11258 and 11288 provide, among other things, that the heads of Departments of the Executive Branches shall cooperate in preventing or controlling water pollution and that pollution caused by the operations of the Federal Government shall be reduced to the lowest level practicable.

c. The original interpretation of these Executive Orders was that the Corps' dredging operations were not necessarily covered on the basis that these operations did not constitute a source of polluted material. They do, however, in many instances, involve moving material which is highly polluted from either industrial or sanitary sources from one place to another. The Corps' prior practice has been limited to assuring that the dredge spoil areas were so selected that they did not constitute a pollution hazard to beaches or water supply intakes.

d. The scope of the protests being received indicates the clear need for more positive and direct action.

e. This need is substantiated by the policies of the Federal Water Pollution Control Administration and the necessity that regardless of the relative impact of the operations, as a federal activity it should be exemplary to those private and public interests which are in fact the source of the pollution.

3. *Position of the Corps of Engineers:* The Corps of Engineers agrees completely that wherever practicable and as soon as practicable dredge disposal methods should be modified so that they will not unreasonably accentuate this problem.

4. *Solution:*

a. The long range solution is to give adequate treatment to all wastes before they are deposited in waterways. It is recognized that this will require a major effort over several years with Federal, state and local interests working together.

b. Pending achievement of the long range solution, there will be continued need for maintenance dredging in the Great Lakes Harbors as a vital element of the economy of the region and the United States.

c. To meet both the needs for navigation and for pollution abatement the Corps of Engineers proposes to study each location at which dredge spoil is now being placed in open waters. This study will be directed toward devising an alternate plan of operation which will reduce the polluting impact of dredging operations to a minimum. Generally these plans will provide for land disposal or diked shoreside disposal areas. This type of alternate solution is not a complete one because it will not eliminate dissolved polluted material and the disposal sites will not be very attractive. It will, however, eliminate the solid materials and it will limit the transfer of dissolved polluted material largely to the actual periods of dredging. The complete solution lies in the control of polluted waste at its source.

d. As soon as the most economic plans for all sites have been determined and no later than the next requests for funds subsequent hereto, the scope of the alternate solution will be presented to the Bureau of the Budget for its consideration in the appropriation of the necessary funds.

e. As soon as funds have been provided for the alternate method of operation, it will be put into effect in connection with the next dredging for the site concerned.

5. *Limitations:* It is considered that these revised procedures to the extent that they are adopted will meet the objectives of the Executive Orders in the reduction of pollution. There will, however, be some limitations with respect thereto as follows:

a. It cannot be expected that corrective measures will be immediately adopted for all harbors. The engineering studies involved will take time. In addition, the construction of alternate disposal areas where this is the proposed solution will also take time. In the meantime, the only alternative would be to cease maintenance of the project. This latter solution is inconsistent with the general economy and the needs of the people.

b. There will be considerable expense involved. The prior methods of dredging as noted above were premised on the most economic way of accomplishing the work. The adoption of alternate methods will require very substantial increased funding all of which may be beyond immediate budgetary limitations. It may also be expected that the increased costs may result in the abandonment of some projects on the basis of economics.

c. Our best present estimates are that at the very least it will be from three to five years before all corrective measures can be placed into effect.

TRAFFIC SAFETY ACT OF 1966

Mr. NELSON. Mr. President, the Congress has now completed action on the Traffic Safety Act of 1966 and sent the bill to the President for signature. This is a historic piece of legislation and certainly one of the most important accomplishments of the 89th Congress. It shows the determination on the part of the U.S. Congress and the American people to do something positive about the scandalous conditions on American highways which are causing the deaths of 50,000 people a year.

Final passage of this bill is especially meaningful to me, of course, because the bill incorporates the entire safety program which I offered to the Congress in the form of three bills over the past 2 years:

First. Grading and labeling of automobile tires.

Second. Minimum safety standards for all automobiles.

Third. Research into prototypes of safely designed cars.

There is some irony in the fact that we complete action on this bill designed to save lives on the highway on the eve of the Labor Day weekend when many hundreds of Americans will be needlessly killed, causing grief and hardship throughout the country.

The fact that hundreds will die over the Labor Day weekend despite our action on this bill dramatizes that much remains to be done to restore sanity and safety to the highways of America.

First of all, this legislation must be implemented. Congress must act promptly on an appropriation measure to provide the funds which this new safety legislation will require. Second, the administration must recruit the people and set up the machinery necessary to carry out this bill.

In addition, every level of government in America, every automobile and tire manufacturer, and every individual motorist must make highway safety a more urgent priority if we are going to make any meaningful reduction in our highway death toll.

I introduced the first automobile tire safety legislation in the Senate in May 1964. It would have directed the Federal Government to establish national safety standards for all automobile tires. This legislation was revised and introduced April 1, 1965, as bill S. 1463. It provoked an interesting nationwide reaction. It brought denunciation from tire manufacturers who insisted that "tires were safer than ever" and who resisted any kind of safety standards established by a public agency. But the bill also brought thousands of letters from individual motorists who testified to the most shocking examples of tire failure, even on new automobiles. Hearings before the Federal Trade Commission and Senate and House committees soon proved beyond a shadow of doubt that many new cars were being delivered with inadequate tires and that the individual motorist was virtually helpless in selecting the proper tire to suit his needs in an industry which was using a bewildering array of misleading names and size labels.

Thanks to the leadership of the Senator from Washington [Mr. MAGNUSON] and a number of others, this tire safety bill, further revised and improved, passed the Senate by a vote of 79 to 0. Legislation which had been denounced by prominent spokesmen for a major industry was suddenly so acceptable that not a single vote was cast against it.

Realizing that the American highway scandal was not caused by tire failure alone, I introduced another bill, S. 1251, in February of 1965 to authorize the Federal Government to set mandatory minimum safety standards for all automobiles. As I said at the time, it seemed unusual that the Congress asserted the authority to require safety features on cars bought by the Federal Government but did not extend this same protection to cars bought by the average American citizen. This bill also was very sharply criticized by the automobile industry and even by some who appeared to be disinterested persons. One of the criticisms was that there were widely different opinions as to what constituted safe design in an automobile.

To meet that criticism, I introduced legislation, S. 2162, in June of 1965 to authorize the Federal Government to finance and supervise the development and testing of prototypes of truly safe automobiles. The purpose of this bill was to allow engineering research firms to do far-ranging research leading to the construction and testing of cars which would meet the needs of American motorists and at the same time help to reduce the highway death toll.

This bill particularly was scoffed at. The most common taunt was that a car designed for safety would have to look "like a Sherman tank," a remark which simply exposed the lack of understanding of many people as to what constitutes safe design in an automobile.

It is a source of great personal satisfaction to me that all three of these bills which I introduced over the past 2 years—national safety standards and quality labeling for automobile tires; mandatory minimum safety standards for all automobiles, and authorization for federally financed research in safe automobile design—have now been incorporated into the Traffic Safety Act of 1966 and have passed both Houses of the Congress by unanimous vote.

As I remarked earlier, much remains to be done. At the same time, it is interesting to note that much already has been accomplished. As is so often the case, industry has reacted to this legislation even before it has taken effect. Already, realizing that the Congress finally meant business and the American people were serious about highway safety, the auto makers are announcing 1967 models including such items as collapsible steering columns and dual braking systems as standard features. It is interesting to note that not much more than a year ago the industry was minimizing the need for such features and even criticizing them, just as the industry criticized seat belts a decade earlier.

Because the American public demanded action on safe automobile and tire design and because Congress showed that it was serious about this matter, the new cars rolling off the assembly lines this month will be safer than the cars which otherwise would have been produced. Once this bill takes effect, the 1968 and later models which are produced will be still safer yet. I must emphasize that the passage of this legislation should not signal a letup in our

overall, nationwide campaign for highway safety. But it is a cause for rejoicing that at long last something really significant has been done to raise the standards of the millions of automobiles and tires which play such an important part in the lives of all Americans today.

INTERVIEW WITH A MEMBER OF THE VIETCONG

Mr. RIBICOFF. Mr. President, yesterday the National Broadcasting Co. on the Huntley-Brinkley show televised an interview between its distinguished correspondent Sander Vanocur and Tran Hoai Nam, a high official of the "National Liberation Front"—otherwise known as the Vietcong.

The interview was filmed in Algeria, and presents a striking view of the Front's attitudes and positions. Arrangements for the interview took several months to accomplish, and I believe the interview is a real tribute to the initiative, enterprise, and journalistic skill of both Mr. Vanocur and NBC News.

What was said in the discussions deserves attention. I ask unanimous consent that a transcript of the broadcast be printed at this point in the RECORD.

There being no objection, the transcript of interview was ordered to be printed in the RECORD, as follows:

This interview with Tran Hoai Nam, a high official of the National Liberation Front and the Front's representative in Algeria, took place four days ago in Algiers. The Front is the political arm of the Viet Cong.

I asked for the interview three months ago. At the end of June, I received a request for written questions. The interval between the time the questions were sent and when the interview took place was presumably used to formulate the answers with the leaders of the Front in Vietnam. NBC News agreed to show the interview unedited.

Before the interview began, I proposed an additional question—one about the 1954 Geneva accords, and this request was agreed to.

The interview took place at the Front's headquarters in Algiers, 18 Rue Langevian. Though I believe that Nam understands English and may even speak it, he answered in Vietnamese from a prepared text. A representative for the Northvietnamese news agency read the prepared English translation of the answers. The atmosphere was cordial.

SANDER VANOCUR-TRAN HOAI NAM INTERVIEW

VANOCUR. What are the conditions, in the opinion of the leaders of the National Liberation Front, which would be necessary to secure an end to the fighting in Vietnam?

TRAN HOAI NAM. The South Vietnamese people fervently cherish peace, a real peace not dissociated from national independence. For our people, peace means that there is no longer any aggressor on the Vietnamese soil. As long as the American troops still hang onto our country, the South Vietnamese people will fight them until the achievement of independence, democracy and peace. This unswerving position has been clearly defined in the statement of the Central Committee of the South Vietnam National Front for Liberation on March 22, 1965, as follows:

"The South Vietnamese people and their armed forces are resolved never to lose hold of their arms so long as they have not attained the fundamental aims of their struggle: independence, democracy, peace and neutrality. All talks with the U.S. imperialists at this moment are entirely useless if they still refuse to withdraw from South Vietnam all their troops and means of warfare and those of their satellite countries, if they still have not dismantled all their military bases in South Vietnam, if the traitors still surrender South Vietnamese people's sacred rights to independence and democracy to the U.S. imperialists and if the South Vietnam National Front for Liberation, the only genuine representative of the 14 million South Vietnamese people does not have its decisive voice."

VANOCUR. If agreement could be reached on the need for discussions among the interested parties in this conflict, would the National Liberation Front favor a temporary cease-fire to hostilities during the discussions, or would it be necessary for the hostilities to continue during such a conference?

TRAN HOAI NAM. The U.S. rulers have always been trumpeting about negotiation and peace. But it is common knowledge that each time they are about to send reinforcements to South Vietnam and make a further step in escalating their war of aggression, they always resort to their "peace talks" swindle in an attempt to cover up their criminal acts, to fool world opinion and blame the Vietnamese people for unwillingness to enter into "peace talks." In fact, the U.S. rulers are feverishly intensifying their aggressive war in South Vietnam and giving a new and extremely dangerous impulse to their "escalate" in North Vietnam in an attempt to change their position of weakness and defeat into a position of strength and victory and obtain at the conference table what they could not obtain in the battlefield.

In this context and as long as the claims defined by the above mentioned statement of the Central Committee of the South Vietnam National Front for Liberation are not realized, any discussion or negotiation would be inappropriate. The entire people of South Vietnam will consequently continue their resolute struggle until final victory.

VANOCUR. What are the political objectives of the National Liberation Front and are the leaders of the NLF prepared to participate in elections throughout Vietnam to be supervised by a neutral body?

TRAN HOAI NAM. According to the ten-point program defined in its Manifesto, the position of the South Vietnam National Front for Liberation on the political field is:

To overthrow the disguised colonial regime and to form a national democratic coalition government which should include the representatives of the various sections of the population, of all the nationalities, political parties, religious beliefs and all the patriotic personalities.

To set up a progressive regime of broad democracy and abolish the present dictatorial constitution of the puppet government.

To carry out a foreign policy of peace and neutrality. The national democratic government is disposed to establish diplomatic relations with all the other countries regardless of their political regimes and in conformity with the principles of peaceful coexistence as defined by the Bandung Conference, and unite closely with peace loving countries and neutral countries . . . South Vietnam should not join any military alliance. It is disposed to receive economic aid from any country which would grant it without any binding condition.

VANOCUR. Is unification with the North a political objective of the National Liberation Front?

TRAN HOAI NAM. The South Vietnam National Front for Liberation stands for the gradual reunification of the country by peaceful means, on the principle of negotiations and discussions between the two zones and all forms and measures to be applied for the benefit of the people and Fatherland, because the reunification of our country is the ardent aspiration of all our compatriots.

The South Vietnam National Front for Liberation will consequently organize free general elections.

As "for general elections in South Vietnam" you have made mention of, I should assert that as long as the U.S. and their satellites do not withdraw their armed forces from South Vietnam it is absolutely impossible to talk about free elections. Not to mention the so-called elections of the "Constituent Assembly" or any other elections of the "National Assembly" staged by the traitors in Saigon on U.S. orders, which are nothing but political bluffs. Such facetious elections will never be recognized by the South Vietnamese people.

VANOCUR. If agreement as it seems cannot be reached on major substantive issues, would the National Liberation Front be prepared to discuss an exchange of prisoners with the United States? In this connection, and perhaps as a useful first step, would the National Liberation Front be prepared to immediately arrange for the release of a United States AID official, Mr. Gustave Hertz?

TRAN HOAI NAM. As long as the U.S. government persist in refusing to recognize the South Vietnam National Front for Liberation, there is no possibility to consider any discussion on the problem of American prisoners.

VANOCUR. Have your representatives here or elsewhere in the world, met with official representatives of the United States, and if the answer is in the negative, are your leaders prepared for such a meeting or meetings, at this time or in the future?

TRAN HOAI NAM. The leaders of the South Vietnam Front for Liberation have never met officially or unofficially with the U.S. representatives. At present, while the U.S. are continuing to intensify and extend the war in Vietnam, if there is any U.S. suggestion about such a meeting, this can only be considered as a maneuver in the fallacious "peace" policy of President Johnson with a view to cover up his aggressive policy of war and hoodwink American and world opinion.

VANOCUR. There has been some talk of late in the United States that perhaps the 1954 Geneva Accords have no application to the present conflict, have perhaps been overtaken by events. What is the official position of the National Liberation Front with regard to the Accord?

TRAN HOAI NAM. The essential spirit of the 1954 Geneva Agreements on Vietnam is to recognize the independence, sovereignty, unity and territorial integrity of Vietnam. If the U.S. government acts in accordance with the engagement made by its representative at the 1954 Geneva Conference, Mr. Bedell Smith, that is to say if it respects the 1954 Geneva Agreements, real peace has been restored in South Vietnam and the reunification of the whole of Vietnam, an independent and sovereign country has been realized since long.

The South Vietnam National Front for Liberation did not participate to the 1954 Geneva Agreements on Vietnam. Consequently, it is not bound by these agreements. Nevertheless, it is striving for the realization of the fundamental principles of these agreements because they are in conformity with the just aspirations and rights of the South Vietnamese people.

To conclude, I take this opportunity to express my heart-felt thanks to the intellectuals, religious groups, students, workers and all other men of good-will in the United States who have time and again manifested and continue to manifest their solidarity with the Vietnamese people in the latter's struggle for national salvation.

VANOCUR. Thank you.

VANOCUR CLOSER

The important points in an interview in a foreign language are not always immediately

obvious. But the tone in this one was unmistakable. It was defiance.

In revolutionary movements, defiance can often be a mask for weakness. That may be what we witnessed in this interview. But we cannot be sure. In my opinion, the important points were: the curt refusal to discuss an exchange of prisoners, their unwillingness to meet with U.S. representatives, and the sharp emphasis on fighting to the end. I came away with this impression: These people offered absolutely nothing, in manner or in words, which would suggest, even faintly, an early or a painless end to this struggle.

This is Sander Vanocur, NBC News.

LONG WAR IN VIETNAM INDICATED

Mr. McGOVERN. Mr. President, last night, NBC Commentator Sander Vanocur was featured in an important filmed interview with an official of the Vietnamese National Liberation Front. Three months ago, Mr. Vanocur requested an interview with a representative of the political arm of the Vietcong. In June, he was asked to submit written questions which he did. Four days ago, the interview was granted at the National Liberation Front office in Algiers. Mr. Tran Hoai Nam, the group's representative in Algeria, answered the questions submitted by Mr. Vanocur.

The clear import of the interview is that at least at the present time our escalating military pressure on the Vietcong is not prompting them to take a more favorable attitude toward negotiations. Mr. Vanocur reached the conclusion that "these people offered absolutely nothing in manner or in words which would suggest even faintly an early or a painless end to this struggle."

In the course of the interview, the Vietcong spokesman said that the political aims for the guerrilla movement are to overthrow the "disguised colonial regime" in Saigon and replace it with a "progressive" coalition government. He further said that it is "absolutely impossible to talk about free elections" as long as American troops are overrunning Vietnam. The Vietcong spokesman said that the U.S. peace offensives have all been designed to deceive public opinion as a cloak for an escalating U.S. military involvement.

The distinguished Senator from Connecticut [Mr. RIBICOFF], whose remarks precede mine, under the headline "Interview With a Member of the Vietcong," has already placed in the RECORD the text of the interview. I join him in urging Members of Congress and the general public to read it.

Mr. President, I ask unanimous consent that an article by Mr. Max Frankel, published in the New York Times of September 1, 1966, relative to Mr. Vancour's interview, be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York (N.Y.) Times, Sept. 1, 1966]

VIETCONG SPOKESMAN IS DEFIANT ON PEACE TALKS—AID IN ALGERIA, IN REPLIES TO AMERICAN TV QUERIES, SAYS U.S. TROOPS MUST LEAVE

(By Max Frankel)

WASHINGTON, August 31.—South Vietnam's National Liberation Front expressed a defiant and extremely tough line toward negotiations of any kind in a statement prepared for an American television showing tonight.

The front, the political parent group of the Vietcong, said peace talks would be "inappropriate" as long as American troops remained in Vietnam. It accused American officials of seeking negotiations only to convert defeat into victory and to "obtain at the conference table what they could not obtain in the battlefield."

The Communist-led organization refused even to consider discussions about prisoners until the United States formally recognized it as a legitimate political group. Washington has consistently denounced the front as the "creature" of North Vietnam's Communist Government.

The views of the front were given to Sander Vanocur, a correspondent of the National Broadcasting Company, by Tran Hoai Nam, the group's representative in Algeria. In presenting the interview on the Huntley-Brinkley Report, Mr. Vancour said he had requested it three months ago and submitted written questions at the end of June.

TOOK PLACE 4 DAYS AGO

The interview took place four days ago at the front's office in Algiers. Mr. Vancour said that he presumed the answers had been cleared with front leaders in Vietnam over the summer.

"For our people, peace means that there is no longer any aggressor on Vietnamese soil," Mr. Nam said. "As long as the American troops still hang onto our country, the South Vietnamese people will fight them until the achievement of independence, democracy and peace."

He said that there had been no change in the front's policy since the declaration of its central committee on March 22, 1965. That declaration vowed continuation of the war until American troops were withdrawn and the front had gained a "decisive" voice in the government of South Vietnam.

Mr. Nam denounced calls for negotiation without withdrawal as a "swindle" designed to cloak intensification of the pace of war by the United States.

He defined the front's political aims as the overthrow of the "disguised colonial regime" now governing in Saigon, formation of a broadly based and "progressive" coalition government and adoption of a foreign policy of "peace and neutrality." He described the front, however, as "the only genuine representative of the South Vietnamese people."

The front advocates "gradual" reunification of North and South Vietnam "on the principle of negotiations and discussions between the two zones," the spokesman said. It is "absolutely impossible to talk about free elections," he added, as long as American and other foreign troops are stationed in Vietnam.

Mr. Nam dismissed the Sept. 11 elections for a constituent assembly as a "political bluff" staged by "traitors in Saigon on U.S. orders."

CALLS EFFORTS A MANEUVER

The leaders of the front have never met officially or unofficially with American representatives, Mr. Nam said, and can only regard suggestions for such meetings while the war is being intensified "as a maneuver in the fallacious peace policy of President Johnson."

He ended the interview by expressing "heartfelt thanks to the intellectuals, religious groups, students, workers and all other men of good will in the United States who have time and again manifested and continue to manifest their solidarity with the Vietnamese people in the latter's struggle for national salvation."

Mr. Nam spoke in Vietnamese from a prepared text. He had a prepared English translation read before the camera by a representative of the North Vietnamese news agency. Mr. Vanocur described the atmosphere of the talk as cordial, but came away with the "impression that the front had offered nothing in either manner or words to suggest an early or painless end to the war."

REPORT OF PLAN FOR LONG WAR

PNOMPENH, CAMBODIA, August 31.—Wilfred Buchett, a leftist Australian journalist who returned Monday from Vietcong areas in Vietnam, says that insurgent leaders expect that the war will go on for years. Mr. Burchett interviewed Nguyen Huu Tho, chairman of the National Liberation Front.

The Australian also said that economic planning in North Vietnam was based on the assumption that the war with the United States would be a long one.

Mr. Burchett said that the Vietcong leaders saw no point in entering into negotiations with the United States as long as the Johnson Administration treated the war in South Vietnam simply as "aggression from the North." He expressed the opinion that the United States could break the impasse over negotiations only by expressing readiness to negotiate directly with national Liberation Front.

Mr. Burchett said that Mr. Tho had told him that the front's political position had not changed, that the front was still ready to form a broad coalition government that would embrace all political groupings in South Vietnam and eventually negotiate with Hanoi on unification of the country.

Mr. Burchett reported that he had found the Vietcong more confident than during his last visit in November when they were experiencing some uneasiness about the American military build-up.

Mr. McGOVERN. Mr. President, the Vanocur interview is one more indication that our assumption that the Vietcong and North Vietnam would come to the conference table if they are only hit hard enough militarily may be a questionable assumption. Writing in this same vain, Mr. Stewart Alsop suggests in the September 10 issue of the Saturday Evening Post that our policy planners may have made "a great miscalculation" in concluding that our mounting military pressure on North Vietnam and the Vietcong is the road to the conference table.

Mr. Alsop quotes Secretary of Defense McNamara as follows:

The essence of our military effort there must be to show the North Vietnamese and the Viet Cong that they can't win in the South. Then we presume that they will move to a settlement, either through negotiations or other action.

Mr. Alsop also quotes the opposing view of North Vietnamese leader Ho Chi Minh:

Johnson and his clique should realize this: . . . The war may last five, ten, twenty years or longer. Hanoi, Haiphong and other cities and enterprises may be destroyed, but the Vietnamese people will not be intimidated. . . . In the past, we defeated the Japanese fascists and the French colonialists in much more difficult junctures. . . . The Vietnamese people will win.

Then Mr. Alsop concludes:

If the war drags on and on, the pressure to fight "our kind of war," and to "occupy his territory"—or at least some of it—will mount inexorably. The bombing of the demilitarized zone is already a step in that direction. Wars have a terrible logic of their own, which is quite unlike the logic of intelligent and reasonable men, examining charts in air-conditioned offices.

In short, if the McNamara thesis turns out to be a great miscalculation, the United States could find itself involved, all unwittingly, in a military occupation of a large hostile population. The United States could also find itself involved, all unwittingly, in a very much larger and very much uglier war.

Surely all sensible men must hope, and also pray, that the McNamara thesis will prove correct, and that now that we have indeed shown the Communists that "they can't win the South," they will follow the Washington script and "move to a settlement." Otherwise, despite the brilliant job our forces have been doing in Vietnam, the outlook is for a much larger, longer and bloodier war than Lyndon Johnson, Robert McNamara or anyone else allowed for.

Mr. President, I ask unanimous consent that this thoughtful and sobering piece by Mr. Alsop be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

VIETNAM: GREAT MISCALCULATION?

(By Stewart Alsop)

Robert S. McNamara: "The essence of our military effort there must be to show the North Vietnamese and the Viet Cong that they can't win in the South. [Then] we presume that they will move to a settlement, either through negotiation or other action."

Lyndon B. Johnson: "Our diplomatic reports indicate that the opposing forces no longer really expect a military victory in South Vietnam."

Ho Chi Minh: "Johnson and his clique should realize this: . . . The war may last five, ten, twenty years or longer. Hanoi, Haiphong and other cities and enterprises may be destroyed, but the Vietnamese people will not be intimidated. . . . In the past, we defeated the Japanese fascists and the French colonialists in much more difficult junctures. . . . The Vietnamese people will win."

The McNamara thesis, that the Communist side in Vietnam "will move to a settlement," once they are convinced that "they can't win in the South," is the basic assumption of American strategy in Vietnam. In testimony on Capitol Hill, in private conversations and on-the-record interviews, McNamara and other Administration spokesmen have reiterated this basic assumption again and again.

"We're trying to show them they can't win the South," McNamara said some weeks ago in an interview with this reporter for the Post, "and that the longer they try to do so, the heavier will be the penalty they pay in the North. . . . They're paying a real penalty already."

The "penalty" has been increasing steadily ever since. And surely by this time Ho Chi Minh and his clique are sufficiently aware of the mountainous American military superiority so that they "no longer really expect a military victory in South Vietnam."

Did Ho Chi Minh therefore obey the script, as written in Washington, and "move to a settlement"? Not at all. Instead, a couple of weeks after the President's triumphant press-conference announcement, quoted above, he went on Hanoi radio and made the speech which is also quoted above, and which breathes defiance in every line. And at least as this is written, there is no evidence whatever that the Communists are getting ready to "move to settlement" in Vietnam.

Thus it is surely about time to face up to the fact that the McNamara thesis, the basic American assumption about the war in Vietnam, may be dead wrong. It is a perfectly logical thesis. Since he clearly "can't win in the South," the sensible thing for Ho Chi Minh to do is to cut his losses. But maybe Ho Chi Minh isn't "sensible." Maybe he means just what he says.

"You mean you think Ho is an Asian Churchill?" a high official asked with a derisive laugh when this possibility was suggested to him. "You mean 'We'll fight on the beaches'—all that sort of thing?"

Ho may not be an Asian Churchill, but Churchill's decision to fight on in 1940 was by sensible standards an illogical decision—he simply did not have the means to defeat Hitler, and Hitler had offered rather tempting peace terms. Again and again in history, for reasons irrational and even dishonorable, men have fought on when their cause seemed hopeless. Even a rat, when cornered, displays a terrible courage.

Moreover, all men—including Ho Chi Minh and his aging lieutenants—are products of their past. As Ho said in his radio speech, he and his Viet Minh guerrillas "defeated the Japanese fascists and the French colonialists" even when the Viet Minh controlled no oil depots, no factories and no town in Indochina bigger than a big village. When the Italian professor Giorgio La Pira visited Ho last autumn, Ho remarked to him that, even if the Americans bombed North Vietnam "back to the stone age," he and his men would be no worse off than they were before Dienbienphu.

Obviously the possibility that the McNamara thesis may turn out to be wrong has occurred to the Administration policy makers, including Secretary McNamara. This accounts for the warnings, much repeated in recent weeks, that the war may be long and hard. But how long and how hard?

One well-informed official believes ("but don't quote me") that the Communist side cannot continue the fight for more than two years at the most—i.e., the war will end before the next presidential election. "The V.C. and the North Vietnamese," this official points out, "are taking more than one thousand fatal casualties a week—that's more than fifty thousand dead a year, not counting wounded and defections. They just *can't* go on taking that kind of punishment indefinitely."

A thousand dead men is a lot of dead men, week after week. But there are 16 million people in North Vietnam, and many millions more under Communist control in South Vietnam. American judgments of what the Vietnamese Communists can or cannot "go on taking" have been wrong in the past. No informed official denies that the war could last more than another two years—perhaps a lot more.

In that case, one thing is absolutely predictable. The pressure to follow the prescription of Sen. RICHARD RUSSELL—"go in and win or get out"—will mount and mount. Studies have of course been made within the Administration of the "feasibility of extrication" as proposed to escalation. The conclusion has always been the same. There is no presently visible way to "get out"—short of national dishonor. To accept national dishonor as the chief distinguishing mark of the Johnson Administration is simply not in the character of Lyndon Johnson.

That leaves "go in and win." As a very high military man remarked unhappily to this reporter not long ago: "This isn't our kind of war—we were always taught that the purpose of war was to subjugate the enemy and occupy his territory." The only way to "go in and win," short of using nuclear weapons to turn North Vietnam into a wilderness, is to attempt to "subjugate the enemy and occupy his territory," the most obvious first move being an amphibious landing to cut the Northern regime off from the South.

This may seem totally improbable. But a couple of years ago it seems totally improbable that the United States would send upwards of 400,000 men to fight in South Vietnam.

If the war drags on and on, the pressure to fight "our kind of war," and to "occupy his territory"—or at least some of it—will mount inexorably. The bombing of the demilitarized zone is already a step in that direction. W...s have a terrible logic of their own, which is quite unlike the logic of intelligent and reasonable men, examining charts in air-conditioned offices.

In short, if the McNamara thesis turns out to be a great miscalculation, the United States could find itself involved, all unwittingly, in a military occupation of a large hostile population. The United States could also find itself involved, all unwittingly, in a very much larger and very much uglier war.

Surely all sensible men must hope, and also pray, that the McNamara thesis will prove correct, and that now that we have indeed shown the Communists that "they can't win the South," they will follow the Washington script and "move to a settlement." Otherwise, despite the brilliant job our forces have been doing in Vietnam, the outlook is for a much larger, longer and bloodier war than Lyndon Johnson, Robert McNamara or anyone else allowed for.

PRESIDENT JOHNSON'S REMARKS AT BURLINGTON, VT.

Mr. JACKSON. Mr. President, when the President of the United States spoke at Burlington, Vt., on August 20, he gave us some good news—he said we are winning the battle of conservation.

There is no doubt that Lyndon B. Johnson will go down in history as one of our greatest conservation Presidents. His address at Burlington illuminates his determination to save our priceless natural heritage.

Because the address is a fine summation of his stewardship of these resources, I ask unanimous consent that it appear at this point in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

REMARKS OF THE PRESIDENT AT BURLINGTON, VT.

I have been reading in the magazines and seeing on television lately some of the problems at Yosemite Park, three thousand miles from your Green Mountain National Forest. But if you will ask the Forest Rangers here, they will tell you that they face some of the same problems.

The problem—as it was explained in those reports—is summed up in one word: Crowds. So many people are swarming to Yosemite—and to the Green Mountain National Forest which was visited last year by 800,000 Americans—and to all our other national parks and national forests—that when they arrive, what they have come to see and experience is obscured by crowds. We are told they simply move the city with them.

And this, as it has been reported, is due to a host of 20th century maladies: a population explosion, a rootless streak in our national character, and an urge to pave the whole country with concrete.

Let me tell you here today that the reality of what's happening in outdoor America is just not quite that simple, or quite that dreadful.

Let me note first, that crowds at Yosemite and crowds at the Green Mountain National Forest are not primarily a symptom of either a malignant population explosion or of some kind of spreading urban madness.

These crowds show that more Americans are out enjoying themselves than ever before; they have cars, and vacations, and fine roads to follow. That's a good way to spend part of a summer, and I think that most of

the people at Yosemite and at the Green Mountain National Forest feel the same way.

When I was a boy, the 50-mile trip from Johnson City to the State capitol at Austin was considered a long journey. My father used to give a nickel to the first youngster who could see the capitol dome on the horizon in Austin. That was his way of keeping us awake. Today, people travel hundreds and thousands of miles just to see the beauty and the grandeur of the American countryside.

Thirty years ago, when I first came to Congress, we started to build an America where men and women and children could earn enough to own a car and to enjoy a vacation and to travel where they pleased. I do not think we should apologize here today for the fact that many Americans are enjoying precisely that kind of a vacation this summer. We do not need to apologize that the number of campers and boaters and travelers are soaring. For this is good news to those of us who have worked to help build this kind of America.

So I did not come here to be a crisis-monger and to decry the fact that crowds of Americans on this August day are out enjoying themselves. Something in that speaks of America.

But now that we have noted what is in fact happening, and noted why it is happening, we must also realize that as our ability to enjoy nature and leisure is increasing sharply, we have to work hard toward conservation if we are to pass along our heritage of national beauty to our children. We also need to improve upon this heritage where we have allowed it to tarnish.

As I look out over Lake Champlain, I cannot help recalling that only yesterday I visited another lake that aroused an entirely different emotion in me. That emotion was discouragement. For Lake Erie is polluted. It has become a casualty of heedless progress.

Some already say that Lake Erie can never be reclaimed. I do not accept that view. But I do know that it can be reclaimed only by one of the most massive efforts in the history of this country.

And Lake Erie is not alone. As I flew to New England yesterday, I saw other areas that have been stained. I saw smog hanging over cities, rivers abandoned by man and fish alike, rusting skeletons of discarded automobiles littering our countryside. I saw cities that housed within their limits the slums of filth and neglect.

Much of America is still a beautiful land, but we have already foolishly sacrificed too much of our treasure through indifference. I want to tell you here today that we can be indifferent no longer.

Just as I am no crisis-monger, neither am I a stand-patter. This is not the best of all possible worlds—far from it—and we are out to make it a better place to live and a better place to enjoy.

That is why we have to ask ourselves today the hard questions about tomorrow. Where will Americans swim? Where will Americans camp? Where will we experience the joys of nature as God really created it? Where will we fish the good streams and where will we relax away from the noise of factories and automobiles?

These are some of the questions that must be answered and answered now.

Each year in America about one million acres of virgin land turns beneath the blade of the bulldozer. Highways, shopping centers, housing developments and airports replace trees and streams and woods where young boys once dreamed dreams.

These are man-made projects to build a better life for Americans, but too often they spread ugliness and blight farther and farther across our land.

Accordingly, we must be ever vigilant to see that we not only use land but that we save land as well.

When I assumed this office I said I was going to be a conservation President. Thanks to Mrs. Johnson—and to the imagination and efforts of leaders like your own Governor Hoff—I have become a beautification President as well.

I have had help; a lot of it. I have had the help of two of the great Congresses in the history of this Nation. Working together, we have given the American people 48 major conservation bills in the more than 2½ years that I have been President.

We have set aside 145 miles of warm, sandy seashore for Americans to enjoy.

We have set aside 550,000 more acres for our national park system.

We have passed the most far-reaching anti-water- and air-pollution measures of all time.

We have constructed dams to protect our citizens from the ravages of floods—and behind those dams we have built lakes and recreation areas for boating and camping and fishing and swimming.

We have established a Land and Water Conservation Fund to help states and counties and towns acquire their own recreation areas.

We have promised our motorists that their major highways will be free of unsightly billboards and will be screened from ugly junkyards.

We have passed a Wilderness Act that in the years to come will set aside nine million acres of land to be maintained in their primeval condition.

We have inaugurated a new beauty program which has attracted the support of thousands of civic-minded American citizens.

Because of these efforts, it is my pleasure to make an important announcement that has been long overdue. For the first time, America is winning the battle of conservation. Every year now, we are saving more land than we are losing.

The bulldozer still claims its million acres every year, but in fiscal year 1965 Americans gained 1,150,000 acres for recreational use. That is land which can never be taken away from our people.

Last year we did even better. A million acres still went to new expanding urban developments, but we saved almost a million and a quarter acres of land. And this year, as another million acres go to urban development, we will be setting aside over 1,700,000 acres in local, state and public areas.

A few generations ago, when the public was getting interested in conservation, Uncle Joe Cannon, the Speaker of the House of Representatives, issued one of his many ultimatums. He said: "Not one cent for scenery." And he meant it.

This generation has repealed Cannon's law. And we've just begun to fight.

We have many programs underway to maintain and restore and enhance the natural beauty of their area. We're supporting legislation now before the Congress to establish a vast Connecticut River National Recreational Area in Vermont, Connecticut, Massachusetts, and New Hampshire. Our hope is for a clean, bright, sparkling river dedicated to the use and enjoyment of all.

We have underway a survey of the economic impact of vacation homes in Vermont, New Hampshire, and Maine. We have awarded over $600,000 in recreation grants from the land and water conservation fund to Vermont and your political subdivisions here. You have matched these grants dollar for dollar. Over $150,000 of this is being used to expand camping facilities in twelve of your State parks.

You have a number of other natural and beauty recreational projects underway. Other State and Federal recreation and highway officials are watching with interest your program of developing scenic corridors along your fine roads.

These are memorable years in conservation, and they are important to every area of the Nation.

They may indeed bear a greater importance to the Nation than even the resounding triumphs of the pioneer conservationists. The great accomplishments of Theodore Roosevelt and Gifford Pinchot centered on the West, and for many years Americans thought of conservation as a Western program.

No longer is that the case. Our foremost achievements today are in the densely populated Northeast and Pacific and Southwestern sections of our nation. In the Northeast, cities, counties and the State will acquire nearly 350,000 acres of public recreation land this year. They will acquire about 140,000 acres in the Pacific Southwest.

We are winning our fight for conservation and we are winning it where it counts most—where it is most accessible to our people.

As I look out across Lake Champlain from this inspiring "Battery Park" height, I have no trouble imagining what Rudyard Kipling felt when he called the sunset view here one of the two finest on earth. I have always held, and I am sure you have, too, a deep respect and reverence for the truly inspiring beauty of this land of ours.

People are sailing and fishing and enjoying themselves even now on that lake. Many of you will picnic somewhere in the natural splendor of this beautiful State today before you go home. All this is as it should be, and I wish I could join you. This comes naturally to many Americans, for we are a people whose national character was forged in the out-of-doors among just this kind of God-given splendor.

I want to pledge to you today that we will retain that splendor in America.

REALITIES OF EDUCATION, POLITICS, AND GOVERNMENT

Mr. PELL. Mr. President, the "knowledge explosion" has drawn much attention to its size and impact. We have, in our impatience, spent too little time on the question of the substance of education, what we are educating for, and the special role which education plays not only in our economy, but in guiding the whole direction of our society.

For this reason I would like to call attention to a challenging address made by Maurice Rosenblatt at the American Management Association Conference on Educational Realities, in New York on August 12. It was entitled "Realities of Education, Politics, and Government."

Among his many pursuits, Mr. Rosenblatt is a consultant on educational policies for several large enterprises. He is equally knowledgeable in the political action field, and is recognized as one of the most penetrating political analysts and strategists. He is particularly expert in the field of congressional elections and the legislative process. He is one of the founders of the National Committee for an Effective Congress, and has made a unique contribution in winning many congressional reforms.

I think that his address revives some of the most significant and most often forgotten purposes of our educational endeavor. Education for what? The question of values, of educational goals in our secular society, the meaning of education is his topic. Mr. Rosenblatt makes the point that it is the managers of capitalism who must ultimately bear a major responsibility for the strength

and relevance of our educational system. For this reason the American Management Association should be complimented for having invited a challenge which is so direct and cogent.

I ask unanimous consent that the address be printed in the RECORD at this point.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

REALITIES OF EDUCATION, POLITICS, AND GOVERNMENT

(By Maurice Rosenblatt)

The story of man is the story of his successes and failures in educating himself. Our present chapter starts some 400 years ago, when Anglo-Saxon teaching was done chiefly by the church. In England and in the colonies the schools and early colleges were supported by religious sects. The curriculum was heavily grounded on theology, and teaching methods were suited to the transmission of the Word—truth as revealed.

Today, education in the Protestant world is secular. The school is cut off from the church, and is now taken over by another social institution, the State. We Americans cry out that Russia and China have made teaching political. During the war we decried "the indoctrination" of youth of Italy, Germany and Japan. Yet, in our world, the same thing is taking place and we have responded with similar action so that, with few exceptions, education in the U.S. is politically controlled with Anglo-Saxon efficiency. Teaching has been torn loose from its church roots and has broken the connection with the religious beliefs out of which it has grown.

The typical Protestant continues to accept the Bible as the guide for his own living, but has wished to exclude it from his child's classroom. The teacher in the modern classroom is responsible for many subjects, but he is forbidden to teach the "faith" upon which the community, for which he teaches, has built its character and its intelligence. The moral doctrine, the well ordered values that were defined in the Church-school are no longer fostered. A void has been left and our schools do not fill it. By implication do they indoctrinate that our scheme is "right," because it works so well. Without a rationale, we take refuge in a pliable creed: success sanctifies itself—what works is right.

As a result our Anglo-Saxon education is involved in crisis, our youth troubled and bewildered. A few are able to take refuge by hiding in specialized and isolated areas, where the lab or library give sanctuary. We trace our dilemma back to the 17th century when men searched for a substitute, for some new design to replace the Church scheme.

The problems of what to teach and what methods to use did not start with the founding of the U.S. Office of Education in 1867. By the 17th century the study of educational theory and practice had reached one of its highest levels. And one of its most illustrious lights was John Amos Comenius, a Czech Bishop of the Moravians, disciple of John Huss. In 1641 the good Bishop traveled to London by invitation of the Long Parliament. It was the sort of trip some of you have experienced in your visits to Washington. Comenius had been invited to devise a new system for British schools, text books, training programs, curriculum. He was enthusiastically received, and there were Parliamentary proposals to provide funds for the New Learning. Buildings were to be assigned and an educational pilot operation started. But Parliament was busy with other projects. Like the American Congress during the 100 years prior to 1965, it did not turn the educators down. Parliament simply failed to act and the Bishop left England a disappointed man.

What was his thesis? It was based on the unity of knowledge, the unity of man. The society of mankind is not an idle phrase but the fundamental fact upon which education rests. All humans are members of a simple family, whatever their race, status or sex, and all teaching must be for the purposes of that family. The unity which Comenius found binding together all fields of knowledge is seen in his principle that the content of study is the same from the lowest grade to the top university grade. The pupil, as he advances, does not encounter a succession of separate subjects. He is pursuing, on even higher levels, the same subject. The unity of knowledge means for Comenius the unity of the whole scheme of study. How horrified he would be with a modern university catalogue offering hundreds of courses, an educational department store.

The school, as Comenius planned is provided for by four successive levels. The first learning begins at the mother's knee. From the Mother's school through the University the subjects remain the same, from astronomy through grammar, music, economics, politics, with a change in the level of the instruction as the pupil studies the constant topics.

For Comenius the purpose of education was to perfect the individual as a socially responsible citizen. And you cannot have different educational purposes for the rich and the poor. You are not educating in order to develop a better tool, but a better man. The understanding human being was his goal.

We now come to the man who was not rejected, John Locke. He did influence the course of Anglo-Saxon education, and many of our present problems and perils derive from his theories.

For Comenius the school had three goals—learning, virtue and piety. For Locke there are four, in this order—virtue, wisdom, breeding and learning. For Locke learning is last. Both men worshiped the same God, read the same Bible, but Comenius was single-minded, Locke was double-minded, or if you will, muddle-minded.

For Locke, mankind falls apart into groups, classes, sects, factions. For Comenius thinking is a single inquiry. For Locke it is a miscellaneous collection of separate studies which have meaning only as each serves some useful purpose. Locke had two systems of education. For the gentlemen he proposed a tutor who will concentrate on "good breeding, knowledge of the world, virtue, industry and a love of reputation." "The studies," writes Locke, "which he sets him upon are, as it were, the exercises of his faculties. . . . to keep him from sauntering and idleness. For who expects that under a tutor a young gentleman would be an accomplished critic, orator or logician." (Locke may have invented the survey course.) Though something of everything is to be taught the young gentleman "it is only to open a door that he may look in, and as it were, begin an acquaintance, but not dwell there." In other words, "don't let the young gentleman take his studies too seriously."

And what does this pious Puritan philosopher and public servant say about education for the poor? Fortunately we have his memorandum of 1697, which suggests the setting up in every parish a "working school" for children of laboring people. Loche proposes that from the ages of 3 to 14 the children shall be trained in spinning, weaving or whatever the local industry. That will be their complete course of study. He plans all this at a profit, from the sale of the children's product. He tells us "the children will be kept in much better order, be better provided for, and from infancy be inured to work, which is of no small consequence to making them sober and industrious all their lives after." The pupils will be given each day a "bellyful of bread" . . . to this may be added without any trouble, in cold weather, if it be thought needful, a little warm water-gruel; for the same fire that warms the room may be made use of to boil a pot of it." On Sunday the child is to be further improved by being taken to Church. This was a century and a half before Dickens wrote about schooling in industrial England.

AMERICAN EDUCATION—PRAGMATIC CONFUSION

In the English colonies the education strove for emancipation, but this does not mean that we clarified things and took the road of Comenius. North Americans are inventive, so we made our own dilemmas and created a system which provides the best with the worst, fluid as it is in transition and lacking in confidence.

By 1800 the local community, the state and the Federal Government were providing funds, land, assistance to the schools. The political body, the state, was clearly involved with education. But it was not until 1821 that the first high school, as we know it, was opened in Boston. In 1862 Congress created the Land Grant College.

With the expansion of the country the educational system was financially tied to the local community and it was locally controlled. Money came from local property taxes. And the local customs and prejudices prevailed, in such matters as treatment of Negro pupils.

But the educational needs far exceeded the capacity of the local resources. We begin to see numerous federal programs develop. But with one proviso. None of them were specifically for education, but were presented in the name of some other special requirement, be it defense, or health, rehabilitation or economic impact. Federal aid to education was per se taboo, and hundreds of millions from the Federal Treasury were filtered to education, always through special channels.

With the annual national school cost now going to $40 billion, fiscal slight of hand had to come to an end. When the Johnson Administration passed the billion dollar Elementary and Secondary Education Act it dropped the pretense that slums and farms can finance an adequate school system. The Federal commitment has been nailed down under the Johnson Administration. In 1963 the Office of Education Budget was $700 million; in 1966 it is about $3.3 billion. These funds are not instead of the local and state contribution, but in addition, on the theory that relatively small amounts, judiciously applied, can make the difference between day and night in the opportunity and quality of education.

EDUCATION—SOURCE OF CAPITAL

We now come to the contemporary phase. Education has itself undergone a revolution which has had a greater impact on our lives and economy than Hiroshima. I quote Clark Kerr, President of the University of California:

"The production, distribution, and consumption of 'knowledge' in all its forms is said to account for 29% of the gross national product. And 'knowledge production' is growing at about twice the rate of the rest of the economy. Knowledge has certainly never in history been so central to the conduct of an entire society. What the railroads did for the second half of the 19th century and the automobile for the first half of this century, the knowledge industry may do for the second half of this century: that is, to serve as the focal point for national growth."

This is not just a question of size, but of content and quality. The knowledge explosion has changed the nature of value. We are familiar with the two 19th Century explanations of what creates value in our

economy. Karl Marx traced all value, be it a ton of coal, a machine, a bar of gold, or an invention, to the labor intrinsic in its production. Henry George contended that value was ultimately traced to land, and advanced a single tax to be geared to real property.

But today we see value created without human sweat as man's physical toil is replaced by automated machinery, and the land has lost its preferred economic role. When I went to school our geography taught that a city had to be located near the confluence of navigable rivers, in a temperate climate, adjacent to raw materials and power, etc. Today you don't look for mines, water and timber, but for a covy of Nobel Prize winners. The community which has the Research and Development gets the contracts. Today we have the Education Theory of value. Education, the investment in human capital, is the most important income producing resource in our society. For example: contrast Brazil, with extensive resources but limited educational development, with Denmark, devoid of land resources but high in education. Annual income, Brazil $230, Denmark $750. The comparable figures for Mexico and Switzerland are $220 and $1,010.

Dr. Schultz, the University of Chicago economist, a member of Gen. Lucius Clay's reconstruction team in Germany, describes the debate over what to expect of West German growth in terms of capital. "We all missed it badly. What we did not anticipate was that the capital that went into German or other European countries seemed to produce at a rate of return of very high dimensions, 30% to 40% a year. It was the great imbalance brought about when a little physical capital implemented all these skills that caused such a tremendous explosion in output. It is just the opposite in countries without an educational background. We are getting much smaller results than we anticipated and the reason is simple. We are underestimating the lack of human capital skills that are required to do modern things, whether in agriculture or in industry."

ENTER THE BUSINESSMEN

The businessman has rediscovered the school. It is the source of his number one raw material, human capital, the most productive investment, with the highest profit, in our economy. It is also a market.

The sophisticated businessman knows that education is not just a market, a place to sell hardware, text books, supplies and building materials. He realizes that the end product, the best trained personnel, is essential for his production and distribution complex. The vice-president in charge of recruiting is combing the campuses today for talent that is better, and he appreciates the prize graduate who has mastered a specialized field competently and is ready to give the company a competitive edge. Companies used to buy athletes—now we buy endentured brains.

As education becomes central, not only to our intellectual and cultural life, but as the core of our economic existence, the American business community's attitude has to be transformed. Today, education is no longer a peripheral activity to be entrusted to spinster ladies from New England. The practical man, the business man "of vision" has started to think about education because the school is no longer apart from the main stream of the economy. Mr. Chipps may no longer be the ideal school teacher to meet his needs.

But the fact that American industry has discovered that knowledge can make it rich, does not represent a sudden conversion to the cause of education. Here we come back to our original theme, the divergence between Comenius and Locke. The educational system which is devoted to developing the whole man, concerned and connected with the total human experience, is frequently scorned by the talent scout who is out looking for that special purpose man—the sharp instrument which is efficient and useful.

Regrettably we must fault the business community for its cavalier and insensitive attitude toward our schools, until the present when the business man discovers a new Klondike in education. Business is off on a feverish frenzy of acquisition, of research foundations, or buying libraries, publishing ventures, thinking machines, and high voltage scientists. Where was American industry when the schools were impoverished, by dwindling revenues from real estate while the number of pupils multiplied and classes were bursting to double capacity? The great corporations were making no contribution to the educational base, to the roots, as they harvested Phi Betas off the top. The fittest survived and reached the top, but the drop out, the delinquent, the permanent unemployable is the price of this callous neglect.

We are all familiar with the handsome grants made by corporations and individual executives for physical research, to technical schools, and for scholarships given to the poor but promising lad. But educational philanthropy by the business community in no way absolves it of zealous avoidance of its prime responsibility to education. What was the business community doing for the seed-bed, the general system, while it reaped the rich harvest?

It is a dismal story. The individual business man may have played his personal part in his capacity as a father and possibly as a fanatic alumnus. But the weight of the business community has been directed against, rather than toward, finding a solution to the plight of the schools. A whole mythology was promoted to justify the evasion. I will not dwell on the fancy protective leagues, the crusade in the name of "local autonomy," that schools must be paid for by real estate taxes only. The realty tax, the local school tax, are among the most regressive and overburdened in our affluent society.

The problem of training specialized skills, the development of technicians, should be reexamined. Is this not really part of the cost of doing business, rather than an obligation of the community? Should not the company, or at least the industry, provide more vocational training leaving schools and colleges free to concentrate on the development of the child's education. As a taxpayer I do not feel it incumbent on me to subsidize the training of specialized personnel to fit the table of organization of any company or organization. Yet we do know that the trade schools are pressured to provide just that kind of exclusive training.

My talk may sound, to some, like an anti-capitalist, or at least anti-corporation, diatribe. What we are saying is that capitalism and its corporate entities are the beneficiaries of the educational process. A strong and universal educational system is the ineluctable factor in capitalism. This means that business must act with special responsibility and awareness in the educational area. It can no longer collect golden eggs and starve the goose. We are already paying the economic price with our urban slums, drop-outs, crime and delinquency and above all in the loss of potential productivity of millions of citizens whose educational neglect makes them dead weight as well as a social hazard.

We again paraphrase that refrain: the question is not what education can do for American business, but what American business will do for education. I trust American capitalism to give us the right answer. But only if the issue is clearly understood, only if education is appreciated in its full meaning, as the basic process from which we derive not only our gross national product but our meaning and spirit as well.

First, business must recognize that the realty tax as the major source for financing our most vital public function must be changed. Much more must come from individual and corporate income. The lines are beginning to emerge under the growing commitment of the Johnson Administration, where Federal funds are provided for general education, and are not justified in the name of some extraneous, and often irrelevant purpose, for defense, for economic relief, for agricultural improvement, et cetera. Instead of resisting, business should initiate the shift of school financing from real estate to our real wealth.

Second, the individual businessman should not only be concerned with harvesting the specialized talent which is economically useful to his company. He must begin to replenish the school effort by his personal participation, whether through political activity in support of his home community's educational effort. Businessmen must not become alien to the mainstream of education: they should return to the campus, either as teachers or, as is encouraged by a few enlightened companies, by returning as students, a sort of reverse sabbatical.

Third, the businessman must make one of its most vital contributions by what he avoids doing by forebearance. The alumnus who ties strings to his contribution is far more dangerous than the fuzzy-minded professor whom he wants fired.

This is the question you managers of companies, essentially managers of capitalism, must face. Whether capitalism can identify its interests with the interests of education, without corrupting education. And when we say education we obviously mean the full process, and not just the fostering of that part of education which produces a useable skill, vocation, or profession. We are not interested in producing human neuters—just as a machine is neutral.

The responsibility not to impose, not to jimmy the educational system, is awesome. For in our democratic society to the extent that we have a Church, a giver of the word, it is inherent in the educational system. And now that we have become conscious that the school is central to our affluence, as well as being a substantial customer, the temptation to distort and exploit the educational process is real. The business manager must begin to treat the educational institution with the devotion once accorded the Church.

The temptation is to emphasize the practical, to further expand the technical research functions of our great universities, and relegate teaching to secondary place, performed by inexperienced juniors. The curriculum resembles a mail order catalogue: the immediate and useable can be purchased. The central theme, the development of the intelligent human capable of discriminating and making value judgment in a free society, is sacrificed. Teaching is not a collection of classroom tricks, but the communication of taste and intelligence from one generation to another.

By implication, the Congress and the President have come to recognize that the expansion of our technological effort might obliterate the intangible and fragile areas of enlightenment, arts and humanities. Perhaps the most unique and creative single act of all the legislation passed by this historic Congress was the establishment of the National Endowment for the Arts and Humanities. Here, the Federal Government has officially embarked on a program to stimulate, to act as a catalyst, and to preserve the traditions of our culture. We know what can be done for the arts, ballets, symphonies. But we should be particularly attentive to this humanities venture. Dr. Barnaby Keeney, one who acted to inspire the program, and is the chairman of the Humanities Endowment, states:

"The humanities are the study of that which is most human . . . One cannot speak

of history or culture apart from the humanities. They not only record our lives; our lives are the very substance they are made of. Their subject is every man. We propose, therefore, a program for all our people, a program to meet a need no less serious than that for national defense. We speak, in truth, for what is being defended—our beliefs, our ideals, our highest achievements."

Is not the Federal Government, in a sense, assuming the role once performed by the Church, the fostering and preservation of intangible values and qualities which are the meaning and spirit of the society? The secular society is trying to explain itself.

I may have disappointed many of you. I know that conferences of this kind are intended to further your know-how and come up with practical hints. Forgive me.

The purpose of education is education, for its own sake, and for no other. Like virtue, it is its own reward. Beware of education for profit. We now know that the alchemist can at last turn knowledge into gold. Don't forget the price Doctor Faustus paid.

APPLYING THE MONEY SQUEEZE TOO TIGHTLY

Mr. HARTKE. Mr. President, two distinguished financial experts and former holders of top Government posts in that area have just spoken out on the fiscal and monetary problems which so sharply beset us. The two are former Under Secretary of the Treasury Robert V. Roosa and former Council of Economic Advisers Chairman Walter W. Heller. Their views appear in today's New York Times under a joint headline, "Two Warnings Sounded on U.S. Economy."

While I do not agree with Mr. Heller on the need for a tax increase, I am heartily in agreement with the views expressed by Mr. Roosa, dealing with the Federal Reserve and the present tight money policy.

There are only two ways of combating inflation, and the application of one or the other should depend on the circumstances causing the inflation. One way is to reduce the amount of spendable money and thus reduce purchases. With a drop in consumption, the market should then begin to have more goods available than purchasers, and the competition for sales will bring the prices down. The other way is to encourage the increase of production, thus putting more goods on the market, where again competition will tend to lower prices and check inflation.

The application of the first method is doubtless desirable in a war economy such as we had 20 years ago, when there is an acute shortage of goods driving the prices up for those which are available. Then controls on wages, to prevent their also being bid up in the labor market, and controls on prices, to check their normal market reaction in the presence of scarcity, are suitable means for anti-inflation action.

But this is not the case today. The economy is not in a straightened position so far as production is concerned. Steel, for example, is operating at only 76.6 of capacity. Other industries, aside from those directly engaged in war production, are not producing such a low volume of goods as to cause a consumer scramble to obtain them at any price. Therefore, to reduce the spendable income of individuals by new taxes as a means of battling inflation is to assign a wrong policy to accomplishing the tax. Rather, to encourage greater production—which in my view means to continue the 7-percent investment tax credit—is a preferable means to the end. This, of course, does not pass judgment on a tax increase if it is needed for the purpose of bringing more money to the Treasury. But even so, the abolition of the tax credit is not the best and most proper means of doing so.

I note that Mr. Heller's estimates of the next few months in the economy, which were contained in a paper written for the National City Bank of Minneapolis, include an assumption that defense spending will continue to rise by about $2 billion a quarter. Certainly Vietnam is one of the strongest complicating factors in our economic picture. Personally, I believe that although this is the recent claimed rate of rise in defense costs, this is an underestimate of what we will see in the months ahead. We are still unable to secure a candid and open view from the administration on precisely what they foresee in this area, a lack of candor about which I spoke yesterday in my remarks on credibility.

But my concern is really more for the views which Mr. Roosa sets forth, and which I consider very sound views, as to the operations of the Federal Reserve. As the interview by Mr. Erich Heinemann relates, methods of "crude brutality" in the fight against inflation must give way to "delicate and sensitive" money management. Otherwise there is grave danger of provoking still further, under harsh tight money policies, a competition for cash that "could bring the whole financial mechanism grinding to a halt."

These are strong words, but they are justified. There has not in these past months been much evidence of "delicate and sensitive" action, but rather of "crude brutality" on the part of the Federal Reserve.

There is now in the works, Mr. Roosa notes, a Federal Reserve Board plan "hinted at in public by the Board and made explicit in private conversation" which will make use of the Fed's discount window for selective credit control as a means to force a slowdown, or if possible a halt, in the expansion of loans to business. Mr. Roosa contends, and I agree with him, that the proposed method of using the discount window rather than its use in another way is a method which can be a dangerous "overkill" under the circumstances. He offers an alternative which could be much more truly "delicate and sensitive" rather than "crude brutality." Mr. Roosa's proposal would achieve the same result; namely, a substantial expansion of borrowing at the Fed's discount window, but it would leave to the banks—that is, to the marketplace—decisions on how to repay the Fed rather than requiring them to do so by reducing business lending.

The Roosa plan, in accord with the views I have just expressed on the need for increasing rather than reducing production, would not put the same pressures on selected individual businesses through the banks, as the Fed's plan would do.

Because what is involved is rather technical, perhaps it deserves a little explication. Since the root of our monetary problem is the scarcity of money, so that interest rates have been driven up by competition, to help cool off the interest rate problem requires the supplying of more money, which the Fed can do in either of two ways, but which certainly needs to be done by "delicate and sensitive" means. One of these is by release of reserves to the banks through purchase of securities in the open market to provide those reserves. The disadvantage of this method at present is that the Fed has no control over where the money goes once it gets into the banking stream.

The discount window provides a selective distribution of reserves, since their provision is directly to the bank which makes application. Normally, private commercial banks, applying to the 12 regional Federal Reserve banks, borrow typically for very short periods, such as 15 days. The Reserve Board's contemplated plan is to offer special accommodations to such banks, in particular by granting longer periods of time for repayment. But this they would condition upon the bank's cooperation in cutting back their business lending. It is expected that many banks will be forced to turn to the discount window to replace deposit losses expected in the next few weeks as negotiable time deposit certificates running out find these funds withdrawn, and thus the bank's reserves reduced, in order that the money may be placed to better advantage, since the certificates of deposit are no longer so attractive as they were at the time the deposits were made.

Mr. Roosa says of this Fed proposal:

You can't get all that precise in trying to engineer the allocation of funds. The market has to do that.

His reasoning is that by attempting to restrain bank lending to business, as an integral part of the Fed discount window policy, there will be a rush of borrowing by corporations in anticipation of refusals by the banks under the Fed's prodding. This could, in fact, touch off the still tighter money squeeze which must be avoided.

The basic difference between this and Mr. Roosa's proposal is in the effort to pressure the banks into denying business borrowing as a condition of the expanded discount window use. He would allow such a process, but without the strings. The banks could get their discount window service on a longer term repayment basis, but the distribution of their loan money would be at their own discretion.

Banks are already turning down loan applications from good borrowers. They are cutting down on the size of the loans they make. Even with a relaxed money policy such as the discount window would provide, they know that they will have to repay at least a portion of the reserves they get, and they will continue to be prudent and judicious, with greater freedom, in their own operations.

Mr. President, I hope the Fed will listen to the voice of experience and wis-

dom which Mr. Roosa has provided. I ask unanimous consent that the two articles from the New York Times may appear in the CONGRESSIONAL RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

TWO WARNINGS SOUNDED ON U.S. ECONOMY—ROOSA BIDS RESERVE MOVE "DELICATELY" IN TIGHTENING CREDIT

(By H. Erich Heinemann)

Robert V. Roosa, former Under Secretary of the Treasury in the Kennedy and Johnson Administrations, warned the Federal Reserve Board yesterday against using methods of "crude brutality" in its fight against inflation.

Unless the money managers move in a "delicate and sensitive way" Mr. Roosa said yesterday in an interview, they risk provoking a scramble for cash that "could bring the whole financial mechanism grinding to a halt."

Mr. Roosa, who was a vice president of the Federal Reserve Bank of New York before he went to the Treasury and is now a partner in the private banking firm of Brown Brothers, Harriman & Co., spoke against the background of indications that the Federal Reserve Board intends to make its credit policy—already the tightest in 40 years—still tighter.

Furthermore, a top official at the Federal Reserve in Washington confirmed yesterday that the Board had approved the draft of a formal policy statement that would, if issued, underline this intention.

The Federal Reserve should keep the money market "taut," Mr. Roosa said, but it "must" supply enough additional reserves to the banking system to provide for a "normal" expansion of bank loans this fall.

If it fails to do so, Mr. Roosa asserted, the Federal Reserve risk "turning restraint into paralysis."

Mr. Roosa suggested that the Federal Reserve should recast its traditional attitude toward borrowing by private commercial banks from the 12 regional Federal Reserve Banks. Such borrowings from the "discount window" are typically only for short periods—say, 15 days.

This policy should be liberalized, Mr. Roosa said, to allow loans to be outstanding for longer periods of time.

In the period ahead, the initial release of reserves to the banking system, Mr. Roosa asserted, should be through the discount window—rather than through the purchase of securities in the open market—in order to pinpoint assistance to the banking system where it is needed, and yet not give the impression that the Reserve System had abandoned its policy of restraint.

When the Federal Reserve buys securities, it provides reserve funds for the banking system by drawing a check on itself, but it has no control over where the money goes.

When a member bank borrows from the discount window, on the other hand, reserves also are added to the banking system, but initially only to one bank.

Mr. Roosa was particularly critical of the Reserve Board's plans—hinted at in public by the board and made explicit in private conversation—to use the credit granting power of the discount window as a weapon of selective credit control to force a slowdown, or possibly even a halt, in the expansion of loans to business.

Under this plan, the Reserve would offer special accommodation at the discount window (principally, longer periods of time in which to repay their loans) to banks which "cooperate" with the authorities in cutting back their business lending.

The "bite" of this policy will come if as many bankers expect—there is a large runoff of large-denomination negotiable time certificates of deposit at major money market banks during September.

The banks suffering large deposit losses will almost certainly be forced to turn to the discount window in order to cover the outflows.

"You can't get all that precise in trying to engineer the allocation of funds," Mr. Roosa said. "The market has to do that."

By focusing the weight of monetary policy on trying to restrain bank lending to business, Mr. Roosa said, the Federal Reserve could provoke a rush of anticipatory borrowing by corporations trying to get money while it is still available.

This, Mr. Roosa said, might touch off the very money squeeze that the money managers are trying to avoid.

Trying to force a substantial curtailment of business credit expansion through selective administration of the discount window would qualify in Mr. Roosa's book as "crude brutality" in money management.

On the other hand, carefully supplying funds to the banking system through the discount window would allow the Federal Reserve to keep the "delicate and sensitive" rein on the money market that Mr. Roosa thinks is required.

Both the Reserve Board plan and the "Roosa plan" contemplate a substantial expansion of borrowing at the Federal Reserve discount window.

The difference is that the Reserve Board would tell banks how to repay their loans (by reducing business lending), while Mr. Roosa would leave it to the banks (in other words, the market place) to decide what to do.

URGES RELAXED ATTITUDE

Mr. Roosa believes that a slightly more relaxed attitude on the part of the Federal Reserve is justified at the present, because, from his reading, the "message of tight money" has gotten through to banking community.

Last winter and spring, Mr. Roosa said, bankers reacted to the initial stages of the Federal Reserve's restraint by simply ignoring it—by bidding more aggressively for time deposits at home and abroad, and by paring their own liquidity down to the bone.

In Mr. Roosa's view, this process has now run its course. Banks are learning how to live with real tight money, he said. They are turning down loan application from good borrowers, and they are cutting down the size of loans that they do make.

"We have to keep the banks on the string," he said, "with the knowledge that they have to repay at least a portion of the reserves they get. But we have to provide for some small expansion."

TWO WARNINGS SOUNDED ON U.S. ECONOMY—HELLER URGES A TAX RISE TO PREVENT "TOO MUCH BOOM"

(By Edwin L. Dale, Jr.)

WASHINGTON, August 31.—Walter W. Heller predicted today a continued, exuberant boom in the economy—too much boom in his view—for the rest of 1966 and the first half of 1967.

The former chief economic adviser to Presidents Kennedy and Johnson urged a temporary tax increase to cool off the situation.

"Fiscal policy," he said in a paper on the outlook, "indeed the 'new economics,' will not be doing its job unless steps are taken to maintain a budget surplus in the face of inflationary pressures."

Mr. Heller's paper was written for the National City Bank of Minneapolis, of which he is a director. It was made available here.

Mr. Heller estimated that the Federal Government's administrative budget for this fiscal year would show total expenditures of about $120-billion, a $7-billion increase above the original estimate made last January. Expenditures, he said "are in a steep climb."

After forecasting a gross national product of $740-billion for 1966 [$681.2-billion in 1965], Mr. Heller had this to say about 1967:

"Unless there is significant restraint from new fiscal measures, I would expect to see the following:

Gross national product will be moving strongly, at a rate of about $14-billion per quarter.

Unemployment will drop to about 3½ per cent.

Wages will rise more rapidly than at any time thus far in the expansion. Many new settlements will be coming in between 4 and 5 per cent. Straight-time hourly earnings in manufacturing, which are averaging about 3.2 per cent above a year ago, will probably advance at an average rate of around 4 per cent.

Prices will continue to rise briskly. Counting on some help from food costs, I would expect the G.N.P. deflator [a comprehensive price index] to rise at an annual rate of just over 3 per cent, though a somewhat faster rise would not surprise me."

DEFENSE SPENDING A FACTOR

One assumption behind Mr. Heller's forecast was that defense spending would continue to rise by about $2-billion a quarter, the same pace as the average quarterly rise from mid-1965 to mid-1966. He also predicted increases in other parts of the budget.

Speaking of the national income accounts budget, the most comprehensive measure of Federal spending, Mr. Heller said: "Expenditures are in a steep climb. They rose from an annual rate of of $120.5-billion in the second quarter of 1965 to $137-billion in the second quarter of 1966."

The economist added: "Continuing increases in Vietnam costs, plus a civilian budget that seems to grow bigger every day that Congress sits, are almost sure to push the national income accounts budget back into a deficit in the second half of 1966 and the first half of 1967—unless the President swings into action to change our fiscal course.

"The national income budget has no business being in deficit in an overheated economy at, or below, 4 per cent unemployment."

RECREATIONAL USE OF THE OCEANS—RESOLUTION BY POGGIE CLUB OF WASHINGTON

Mr. MAGNUSON. Mr. President, although the Senate, on June 20, passed S. 2218, to provide for a 12-mile fishery zone, I am still receiving many letters and resolutions of support from my State in particular. The bill is still pending in the House of Representatives.

Mr. President, most of the time when I have discussed this legislation on the floor of the Senate, I have referred to our commercial fishing interests and the damage to them I see in our failure to adopt such needed legislation in the current Congress.

But the growing recreational use of the oceans, particularly in sports fishing, is a social and economic value to be reckoned with as well. Sportsmen seem to have been a little slower to awaken to the necessity of this legislation, but with reports of Soviet trawlers competing for the grounds traditionally used by salmon charter boats off Westport, Wash., this matter is reaching a state of crisis.

This week I received a resolution from the Poggie Club of the State of Washington, a pioneer organization of salt-water sports fishermen in my State. Its officers and roster include many of the foremost recreational conservation leaders of the

Pacific Northwest. Before presenting the resolution, I should like to name the officers: Ben Randolph, president; Clarence Lamoureux, vice president; John Smart, secretary; Bill Morrill, recording secretary; Clarence Olsen, treasurer; Ed Fraser, game warden; and Don Johnson, honorary president.

The directors of the club are Fritz Sistig, Don Johnson, Gus Zarkades, Howard Gray, Norman DeMeyer, and Claude Elerding.

I ask unanimous consent that the resolution be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

THE POGGIE CLUB OF WASHINGTON,
Seattle, Wash., August 25, 1966.

Senator WARREN G. MAGNUSON: The members of the Seattle Poggie Club feel that the natural resources of our Alaska, Washington, and Oregon coasts are in jeopardy as a result of this ruthless Russian exploitation of our fisheries. History has shown that Russian conquests begin with their taking one slice at a time and not quitting until they have taken everything.

These fish are of vital importance economically to the citizens of Washington. They are indigenous to our shores and rightfully ours to be used in the betterment of our own fisheries.

Now therefore be it resolved, That the Seattle Poggie Club go on record endorsing legislation now pending in the House of Representatives establishing a 12 mile territorial limit for fishery purposes, and be it

Further resolved, We request the Federal Government to as soon as possible implement the 1958 Geneva Convention on fishing and conservation of the living resources of the high seas which will allow us to establish conservation zones for the protection of our fisheries, contiguous to the 12 mile limit.

Sincerely,

BEN RANDOLPH,
President.

FOREIGN TAX ASSISTANCE

Mr. MONTOYA. Mr. President, "John J. Stemple, Peru thanks you." These are the final words I read in a recent editorial of the Commercial Information Bulletin, a weekly published in Lima, Peru. These words are significant. They are significant because Mr. Stemple is the head of the AID-supported Internal Revenue Service's foreign tax assistance team in Peru.

Not only did Mr. Stemple win the editorial thanks of this Peruvian publication, but his smiling face was reproduced full size on its cover. I would like to read in part the editorial entitled "Honor for Merit," because it shows the appreciation of one Latin American country for what the United States is contributing as a partner in the Alliance for Progress.

It says:

This week our cover is honored with the friendly face of an American. John J. Stemple, who has dedicated his entire time in Peru as chief of the U.S. tax mission sent by AID (Alliance for Progress) to help our tax system to be—through the ordering process which it deserves—within reach of the understanding of the man on the street.

Working shoulder to shoulder with Peruvians, Stemple, besides winning the friendship of those around him, has set strict work guidelines for himself, often taking his free time and weekends together with his team of U.S.. experts to discuss matters which interested our nation, Peru.

The case I have mentioned could be repeated, I am sure, in many of the other 15 Latin American countries currently receiving assistance through tax teams, such as the one headed by Mr. Stemple. I believe the story is worthy of note for it points up several things. First, that the Agency for International Development within the Alliance for Progress is taking an active part in improving and modernizing Latin America tax systems, with resultant increases in national revenue. In addition, it shows that not only are these joint efforts bearing fruit, but that in the process our contributions are appreciated to the point that individual representatives of our country are singled out for their excellence of work and fostering international friendship.

High on the list of requirements for economic and social development at Punta del Este, Uruguay, when hemispheric leaders, under U.S. leadership created the Alliance for Progress on August 17, 1961, was "the more effective, rational and equitable mobilization and use of financial resources through the reform of tax structures, including fair and adequate taxation of large income and real estate."

Before the signing of the Charter of Punta del Este, the nations of Latin America had given only sporadic consideration to tax reform. The Charter defined it as one of the 12 principal goals of the Alliance program, and set in motion a general effort to achieve it.

Progress in the major areas of development—agriculture, health, housing, education, industry, and transportation—is dependent on heavy financial contributions by the less developed Alliance nations. As we know, the Alliance originally called for a program costing $100 billion of which Latin American countries would contribute 80 percent from diverse resources. That their record in this sense has been good can be attributed in large part to improved fiscal policies and increased tax revenues. Self-help of this nature is a vital ingredient in the development process.

Our neighbors to the south realize this, and are well aware that, as President Johnson said:

Those who do not fulfill their commitments to help themselves cannot expect help from us.

A statement by President Eduardo Frei Montalva, of Chile, sums up this concept of self-help:

The principal aim of the Alliance for Progress, as it was conceived in Punta del Este, is to assist in the economic development of Latin American countries. But to do this, it is necessary that Latin American countries themselves make basic changes in their economic and social orders.

The Alliance for Progress can demonstrate positive achievement both in the physical sphere and in changing attitudes. We have seen that a major objective—a 2.5-percent growth in gross national product—has been achieved in Latin America as a whole for 1964 and 1965. In these same years, working on foundations laid in the first years of the Alliance, countless other accomplishments can be cited. Permit me to remind you of just a few: 7,000 miles of road have been improved; 130,000 dwelling units have been built; 1 million students are occupying new classrooms; 450 new health facilities have been constructed; 450,000 farmers have received agricultural credits totaling $250 million; and 530,000 kilowatts of electrical power have been added. Statistics tend to be cold and boring, and, as we know, often do not tell the whole story. Furthermore, I do not wish to imply by these figures that the basic problems which gave birth to our Alliance have been solved. Far from it.

But we have made a remarkable start, and as an editorialist in San Salvador's La Prensa Grafica recently pointed out:

What would have happened if 5 years ago the Charter of Punta del Este had not been signed?

One of the brightest spots in our efforts to assist Latin American development through the alliance is the jointly sponsored AID–IRS foreign tax assistance program. Through the counsel of some 50 specially recruited U.S. tax experts working with their Latin counterparts, significant strides have been made toward modernizing and strengthening tax administration—examination of tax returns, collections of taxes, taxpayer education and assistance, training, organization, and enforcement. Unlike former programs, these aim at institutionalizing tax reforms and improvements, so that when our experts leave in a few years the organizations they have helped to develop will endure as a continuing way of life for both tax officials and the taxpayer community.

In the less than 2 years that the tax assistance program has been underway in Latin America, advisers have helped officials solve a host of problems.

In general, taxpayers in Latin America have not had an easy time. All filing of returns is done in person, and must be verified prior to acceptance. This has often meant standing in interminable lines for verification, payment, and final filing. Numerous copies of returns had to be filed.

Solutions to these and many other problems inherent in oftentimes archaic systems are being sparked by the American tax teams. For example, public facilities, such as banks and schools are now being used for the first time to help distribute tax forms. The number of locations for filing has been increased and filing and collection places have been centralized. Furthermore, systematic information programs have been developed using press, radio, TV, and posters. Formerly there had been no practical method for informing taxpayers of their obligations and how to comply with them.

A major part of these programs is dedicated to promoting attitudes which will lead to mutual confidence and generate rising levels of equitable administration and enforcement of tax laws by officials, and voluntary compliance by taxpayers.

As a minimum, all tax programs include concentrated attention on returns filing and tax collection procedures and

programs dealing with the audit of tax returns. In addition tax modernization may include taxpayer assistance and education; training tax managers and technicians; system and organizational analyses; internal audit and security; real property tax administration; and automatic data processing.

The foreign tax assistance program is a two-sided coin. On the one side we have on-site advice and assistance in the host country, while on the other we find training and orientation of host country tax officials in the United States.

On-site assistance is accomplished by the team of advisers who live and work in the foreign country. Training takes two forms: special courses on basic tax administration offered to groups of officials in the United States; and courses designed for individual tax officials with special interests. A new approach is through mobile audit training teams who provide on-site intensive training to revenue agents. To date more than 100 South and Central American tax officials have received training in the United States.

Recently tax directors from 15 Alliance countries had the opportunity to consult extensively with AID and State Department officials and U.S. tax specialists in Washington, San Francisco, and Atlanta. They saw our tax system in full operation in all its major aspects. Hopefully, they will apply much of their newly acquired knowledge to the development of more efficient systems of taxation in their own countries.

The accomplishments to date of these various programs have been most heartening. Although lack of data has traditionally been a basic problem in evaluating effectiveness, the institution of new reporting systems is proving a boon for collecting evidence of progress.

There has been an increase in tax collections directly traceable to tax reform. For example, in Costa Rica total tax revenue collections jumped from $50.5 million in 1963 to $65.2 million in 1965. During the same period the following gains were noted for these countries: El Salvador: $66.2 million to $84.9 million; Nicaragua: $19 to $32.9 million; Panama: $55 million to $70 million; Paraguay: $30 million to $42.2 million; Ecuador: $132.9 million to $191.3 million. I cite these examples merely to indicate the general trend of increased revenues.

In specific areas of improvement, Panama increased collections of delinquent taxes by 130 percent in 1965. Panama also reports that of the almost $10.5 million increase in revenue in 1965, over $6 million was attributable directly to tax reform and improved tax administration.

Through widespread publicity and taxpayer assistance programs, Ecuador boosted the number of income tax returns filed during 1965 to 60,000 from 27,000 in the preceding year.

Chile, one of the first Latin American nations to institute comprehensive tax reform, boasts an outstanding record. Examinations and investigations of tax returns increased assessments from 37 million escudos in 1962 to more than 225 million in 1965. Two taxpayers are serving sentences for tax fraud, and prosecution is being developed in the cases of 27 other taxpayers charged with willful evasion of tax. Chile has trained more than 2,300 technical and supervisory employees and higher level officials. She has offered training aid to her neighbors in keeping with the new emphasis within the Alliance on mutual assistance.

In Peru, a pilot delinquent return program started in 1965 has already produced more than 1,400 delinquent tax returns involving nearly half a million dollars. This astounding accomplishment has been the result of the work of just six employees.

In Uruguay assets of three businessmen have been seized by local tax officials to satisfy long overdue tax obligations. Resultant publicly is helping stimulate widespread overdue payments by other delinquent taxpayers.

Colombia is successfully utilizing electronic computer equipment in tax administration. A master file is now on magnetic tape and registers of accurate taxpayer accounts, disclosing assessments, credits, and balances have already been issued.

This progress can be traced in large part to the realization on the part of Latin tax officials that reform is essential to development. In a recent statement, Dr. Antonio Lopez Aguado, Director General of the Argentine General Tax Bureau said:

> The most equitable way for a nation to raise public funds for economic and social development is through the income tax.

Dr. Lopez studied the U.S. tax system during a recent tour of our country.

The office headed by Dr. Lopez is receiving technical assistance from a U.S. IRS tax team. In 1965 his office collected 80 percent more in taxes than in the previous year. According to a recent study of the Inter-American Development Bank income taxes, which generally make distribution of the tax burden more equitable, now supply more than 36 percent of total collections of Latin American governments.

These are just a few examples of progress to date. We can safely assume that by the end of 1966 such tangible indicators of progress will have been multiplied many times.

The challenge which our advisers face in their everyday efforts to assist their counterparts is tremendous and calls for unusual maturity, resourcefulness, imagination, and ability to work with others while adjusting in a developing country environment. The basic task is extremely difficult because it involves change—a change which is at once deep and widespread and which directly affects individuals in all walks of life and in all social stations.

It would be less than fair if I were to leave you with the impression that tax reform in Latin America has no problems. There have been, and there continue to be major stumbling blocks.

Inertia, complicated by resistance from vested interests, both public and private, has constituted a major barrier. A serious shortage of trained managers and technicians is a second factor. The political climate and government employment practices are other limiting factors.

In the final analysis, the degree to which basic attitude changes can be accomplished depends on the will and determination of the developing countries to move. This will and determination does exist and becomes stronger with each passing day. A recent development demonstrates this growing interest in self-help tax reform measures.

An organization known as the Inter-American Association of Tax Collectors has been proposed, with the objective of encouraging the introduction of reforms and modernizing tax systems in the hemisphere. A special commission made up of representatives from Chile, the United States, Mexico, Panama, and Uruguay will meet this fall in Santiago, Chile, to plan the structure of such an association and draft its constitution.

The prime objective of the new organization is to establish a permanent center for the exchange of ideas and experiences concerned with the modernization of tax systems in line with the self-help principles of the Alliance for Progress.

I am sure that with such forward looking programs as I have mentioned today, and continued cooperative efforts based on development of human and physical resources the all important tax reform, inspired by the Alliance for Progress will, in time, produce a new form of social justice in Latin America. To refer again to that well-worn but none the less true refrain, I would say that it is not only our obligation but in this case a pleasure to do our best to "help those who help themselves."

Our Latin American partners in this hemispheric effort have made an auspicious start toward guaranteeing that the inevitable taxes fall more justly and equitably than before on those who have to pay them. I for one, firmly believe that these efforts and our technical advice in supporting them deserve congratulations and merit our full and continuing support.

SCHOOL MILK PROGRAM LEGISLATION SHOULD COME UP ON FLOOR OF HOUSE TODAY

Mr. PROXMIRE. Mr. President, this is a happy day for me as well as my many colleagues who have cosponsored my bill to make the school milk program permanent. A revised version of this legislation should be considered on the floor of the House today as one section of the Child Nutrition Act of 1966.

Action on this proposal before Congress adjourns is important to the continued operation of the school milk program, which otherwise will expire next June 30. After House passage the bill probably will go to conference where differences between the House and Senate versions will be ironed out. These differences are not substantial. I am hopeful that they can be quickly resolved.

When Congress gives its final approval, the program will be operative through fiscal 1970, with appropriations ceilings gradually increasing to a top of $120 million. This will help the Nation's schoolchildren, who will continue to receive a

Federal contribution toward the cost of the milk they purchase at school. It will help the farmer by removing milk that would otherwise be sold at surplus prices from the market. And it will do all this at little cost to the taxpayer, for milk purchased under the school milk program will not have to be purchased and stored at Government expense under the price support program.

LABOR DAY MASS AT SHRINE OF THE SACRED HEART

Mr. MONDALE. Mr. President, more than a decade of years ago, the Most Reverend Archbishop of Washington, Patrick A. O'Boyle, D.D., invited the leaders of labor, management, and government to join him in a solemn prayer to our Heavenly Father to ask His divine guidance on the Nation and its citizens and His blessing on all who shared a common goal. On September 5 of this year, Labor Day, the 14th annual observance will be held at the Shrine of the Sacred Heart Church, 16th Street and Park Road NW., at 10 o'clock in the morning. The Most Reverend Archbishop of Washington will preside at this mass; the Most Reverend Edward J. Herrmann, D.D., Auxiliary Bishop of Washington, will offer the Mass, and the Most Reverend Peter L. Gerety, D.D., Coadjutor Bishop of Portland, Maine, will deliver the sermon. Invitations have been extended by the Archbishop of Washington to all the leaders of government, to the distinguished Members of this body, to the leaders of labor who are centered in Washington, and to all who are prominent in the area of management.

Following the ceremony in the church, a wreath will be placed at the statue of His Eminence James Cardinal Gibbons, late Cardinal Archbishop of Baltimore, which stands in a small park immediately adjacent to Sacred Heart Church. This wreath will be placed by Mr. J. C. Turner, president of the Central Labor Council of the Greater Metropolitan Area, who will then address the audience in the name of organized labor.

It is most fitting that this tribute be paid to the late Cardinal Gibbons. In the latter part of the 19th and the early part of the 20th century, the laboring men of this country were struggling to organize themselves into associations and unions which would further their interests and provide them with some bargaining rights. Because of the hostility at that time of some of the employers, these newly established labor organizations, such as Knights of Labor, were secret in character and, as such, caused some suspicion on the part of various churchmen. Events in a neighboring country led the leaders of the labor organizations to fear that the labor movement in the United States might be interdicted by the church. It was at this time that Archbishop Gibbons, later the Cardinal Archbishop of Baltimore, raised his voice in favor of the laboring man and his rights, counseled the leaders of the labor movement and made known to the authorities of the church in Rome his concern for both the men and the movement. It was his intervention, more than any other single factor, that gave the new labor movement status in this country. His Eminence of Baltimore established himself as a true friend of the laboring man, a great citizen, and an even greater churchman.

I am delighted on this occasion to bring this distinguished ceremony to the attention of the Senate. In the years that have passed, labor, management, and government have prospered in this country. The system of free enterprise has been tried and tested over and over again. Bargaining teams of management and labor have met on countless occasions and have come to decisions that were beneficial to all parties concerned. Nowhere else in the world has there been such progress, such freedom, such prosperity shared by all. It is fitting that we pause on Labor Day to give thanks to our Heavenly Father and to ask His guidance again for the years and the tasks that lie ahead. Certainly, one fine way to do this is to join the Archbishop of Washington by accepting his invitation to be present on the occasion of the 14th annual Labor Day mass on Monday, September 5.

Last year, the distinguished Chaplain of the U.S. Senate assisted at the celebration. Following the observance, he wrote an article that appeared in the public press and gives voice to his impressions of this splendid occasion.

I ask unanimous consent that the article by Dr. Frederick Brown Harris be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A LOFTY LABOR SPIRE

(By Dr. Frederick Brown Harris, Chaplain, U.S. Senate)

September's annual Labor Day, which was set up as an altar where the cause of the toiling millions of this free land could be sanctified and glorified, has largely degenerated into a mania for miles and speed where leisure-mad multitudes burn up the roads, invade the resorts, and end up with a hectic race home.

Any meaningful remembrance of the day set aside to emphasize the vital significance of honest labor in the pattern of the Republic's life might well bring to mind the childhood question, "Here are the people but where is the steeple?"

A spectacular yet devout reply to that query, in a fitting observance of Labor Day 1965, is glimpsed in an inspiring "steeple emphasis" in one of the Capital City's most magnificent edifices, The Shrine of the Sacred Heart, a dream of Byzantine loveliness! Here on Labor Day a secular holiday was transformed into a holy day, as there leaped to the sky a spiritual Spire tall enough to be a heavenly vision to all Americans who have eyes to see. On this occasion, brilliant with the impressive liturgy of Roman Catholicism, there was proclaimed a pertinent message freighted with deep concern for the vital questions that have to do with the complicated relationships of labor and management.

What a setting it all was for so solemn a witness! At the very portal of this imposing edifice stands one of the most exquisite statues in the Capitol of the Free World. It is the brooding figure of a great religious leader, a dedicated American, James Cardinal Gibbons, who was a prophet of the rightful place of the toilers in the expanding economy of this vital experiment in freedom. Following the church service, at the feet of this great servant of God and of man, on this day dedicated to St. Joseph, the workman, a reverent crowd gathered around the sculptured likeness of the beloved cardinal as if waiting for his benediction.

From the high pulpit of the sanctuary the sermon was brought by an outstanding theologian and a searching preacher, Reverend John C. Selner, of Catholic University. He spoke with all the riches of the past, and with a compelling sense of the relevance of Jesus Christ for the problems of this volcanic day. Frankly, he faced the charge so often made in the glare of the false lights of a materialistic day that on the stage of the second half of the 20th century, the Christian Church is no longer relevant. This unashamed apostle of the Carpenter of Nazareth forcefully presented the mission of the church in the surging light of today. He made it unequivocally plain that its objective is to train men and women to toil in these fields of time in the sense of the eternal. This proclaimer of the unchanging gospel made that great throng vividly aware that the Christ, exalted in the Sacramental Mass, and in the hearts of those who really heed his call—Follow Me—is the one hope of mankind and that the world is not through with Jesus Christ, it is through without Him!

The other prophetic voice from that high pulpit was that of the Most Reverend Patrick A. O'Boyle, archibishop of Washington, who presided. To that Labor Day throng he tied the relevance of the Christian message to the practical problems of wages, housing, and education for those now shut out of the plenty of our affluent society. He made clear that the essential relationship of what is labeled management, and what is referred to as labor, is becoming more and more as it should be, a cooperative partnership of all who toil, whether the worker directs from an office or lifts bricks for rising walls.

And now for a moment let us listen to the Undersecretary of Labor for the United States, Honorable John F. Henning, a devoted church layman, as he addressed the large group surrounding the statue of Cardinal Gibbons. We can capture but a few sentences from a message rich in its discernment of union labor's attitude to today's global struggle between Christ and anti-Christ: "Democracy and dictatorship struggle to the death in today's world. Labor unionism and slavery share no common hopes, no common values, no common destiny. American labor struck at slavery when it gave instant endorsement to the action of President Johnson in the Dominican Republic and Viet Nam. The program of labor in Latin America and Africa in an age of change offers the enduring values of social democracy and political freedom. Here at home American labor is today sharing, in the most dramatic era of social advance in the nation's history. American labor acts on the conviction that humanity deserves a society of economic abundance, social equality, and political liberty."

In this high hour all that was uttered inside The Shrine, and outside, can well be summed up in Henry Van Dyke's lines:

"This is the gospel of labor;
Ring it, ye bells of the kirk—
The Lord of love left his home above
To dwell with the men who work."

ROGER STEVENS AND THE NATIONAL ARTS ENDOWMENT

Mr. PELL. Mr. President, Roger Stevens and the whole National Arts Endowment deserve to be congratulated on the excellent job they have done in the endowment's short life. In fact, they have already gone beyond the expecta-

tions of those of us in the Congress who worked on the legislation setting up the National Arts Endowment.

The most telling compliment to their work is that prior to 1965, when the enabling legislation was passed, there were only 17 State arts agencies. Today there is an arts agency in every State plus the District of Columbia, Puerto Rico, the Virgin Islands, and Guam.

I ask unanimous consent that an article by Howard Taubman in today's New York Times attesting to their good work be inserted in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ADVENTURESOME COURSE—ARTS ENDOWMENT'S BOLD, NEW GRANTS SHOW A WILLINGNESS TO TAKE CHANCES

(By Howard Taubman)

It is too early to assess the ultimate value of all the grants that have been made by the National Arts Endowment, but it is not a bit too soon to commend its chairman, Roger L. Stevens, and his advisers, the members of the National Arts Council, for their energy and breadth of vision. The endowment is confounding the Cassandras who glumly prophesied that public funds would be spent on cautious principles and unadventurous programs. The reverse has been true. The endowment has taken chances, brought quick help to worthwhile institutions in mortal danger, been hospitable to new ideas and to fresh approaches and has been alert to the needs of the creators as well as to the performing artists.

Seldom has a new government program, especially one so beset with possible booby traps, been implemented with so much imagination and dispatch.

The arts endowment has elected to support a multiplicity of ventures in all the arts since it was approved less than 12 months ago by an act of Congress and received its initial appropriation. Some of these ventures no doubt will misfire or sputter like wet squids. But even the great foundations like the Ford and the Rockefeller, with all their preparatory staff work, have backed some egregious lemons.

What is particularly notable about the latest grants announced this week, in addition to their wide range of interests, is how speedily and shrewdly Mr. Stevens and the Arts Council had adapted themselves to the problems of administering a government program in the arts.

A PRACTICAL MANEUVER

They clearly learned something from the way in which Congress last spring handled their budget requests and also from the methods of their sister group, the National Humanities Endowment. In both cases, bequests were reduced because substantial sums of the previous year's appropriation had not yet been disbursed or allocated. The Humanities Endowment was cut to $2-million because it had an undistributed $2.5-million. It availed not to argue that plans for the use of the unspent $2.5-million were well advanced.

Obviously, the arts endowment intends to avoid such mistakes. Some months ago it earmarked up to $500,000 for the establishment of laboratory theaters in three cities in cooperation with the Office of Education. But there has been time to set up only two—Providence and in New Orleans. About $165,000 remained unallocated.

Instead of waiting for a third project to come to fruition, which might take another year, Mr. Stevens and the Arts Council decided to help the New York Shakespeare Festival and the National Repertory Theater immediately. Both groups are deeply involved in educational activities and deserve support.

The Shakespeare Festival guided by the fiery Joseph Papp, who rightly thinks that nothing in the arts is too good for the humblest audience, will receive an emergency matching grant of $100,000. It will thus be able to carry out commitments throughout the city that it might have had to cancel or curtail.

The National Repertory Theater, which tours a number of plays of high quality across the land each season, will receive a matching grant of $75,000. As a result, it will be able to broaden its program for students, which includes half-price tickets for groups of 10 or more as well as afternoon seminars and specially prepared material for classroom use.

The accent in both grants is the potential educational value of the activities of the New York Shakespeare Festival and the National Repertory Theater. The truth is that both organizations need financial support if they are to carry on to the limits of their capacities. The arts endowment is wise to respond to the basic need.

There have been other examples, some widely publicized and some hardly noticed, of the endowment's flexibility in meeting crucial situations.

MEETING AN EMERGENCY

One such incident involved an ambitious production of Schoenberg's opera, "Moses and Aaron," which was being prepared last spring by the Boston Opera Company. The production ran into a financial crisis and Mr. Stevens was approached in desperation. He polled the Arts Council by telephone and within a few hours was able to offer a matching grant. The production of the opera, through postponed to the fall, was thus assured.

To judge by the scope of the latest grants, which cover educational television, opera, theater, creative writing, chamber music and the visual arts, there is no lack of projects for the arts endowment to espouse. Early fears were expressed that the Government, seemingly in competition with the foundations, would run out of worthy programs and activities to support.

These fears turn out be illusory. There are vast areas in this country and huge publics with only the most rudimentary experience in the arts. As they learn to know the enchantment and the power of the arts they will ask for more and better things, and there will be unlimited room for the Government, the foundations and private enterprise to make salient contributions.

THE U.N. AND GUAM

Mr. JACKSON. Mr. President, I ask unanimous consent that an editorial appearing in Guam's the Pacific Journal of August 19, 1966, entitled "The U.N. and Guam," be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE U.N. AND GUAM

It is becoming a habit for loquacious representatives in the United Nations to discuss the future political status of Guam, as if the territory is some sort of colonial outpost in the western Pacific.

Guam is neither a colony nor a proper subject for discussion in the U.N. Guam is an American community which happens to be situated 5,000 miles west of the continental United States.

Squabbling over Guam is like squabbling over Santa Monica or Oahu. The United Nations simply has no business discussing the political or social well-being of an American community.

Since when did the United Nations acquire jurisdiction over Guam? Under what authority does the world body exercise control over American citizens?

It seems odd that our spokesmen in the United Nations would take the trouble to defend the use of Guam as a military base. The U.S. Government has every right to utilize Guam in any way it deems proper in the conduct of war. Guam, after all, is part of the United States, and whatever is good for the country must necessarily be good for Guam.

It is true that Guam does not possess political autonomy as states of the union have, but whatever political deficiencies there are, they are the problems that must be resolved by the U.S. Government and no one else.

If Guam were a protectorate, then we can see the U.S. assuming the role of overseer. But the territory has been under American ownership since 1898 and its residents have been U.S. citizens since 1950.

It is perhaps all right for delegates to the United Nations to discuss Guam—they have discussed everything else under the sun, it seems—but only where it relates to nonpolitical matters. The relationship between Guam and the United States is an internal matter, and the United Nations is not the forum within which to discuss the territory.

We can see the United Nations delegates debating on the eventual political status of the Pacific Trust Territory and other mandated territories. They legally fall under the jurisdiction of the U.N.

But to include Guam in such debates is an assumption of authority that does not exist.

The United Nations ought to devote more time in trying to solve the Vietnam dilemma rather than spend precious time discussing Guam, a political jurisdiction over which it has absolutely no authority.

Guam's future must be determined by the people of the United States, including Guam, and no one else.

ARMY CORPS PLEADS BUDGET LIMITATIONS AND WILL CONTINUE DUMPING IN LAKE MICHIGAN

Mr. HARTKE. Mr. President, on August 23 the Army Corps of Engineers replied to my numerous pleas to stop dumping nutrient laden pollution breeding filth into Lake Michigan. I ask unanimous consent to include the letter in the RECORD at this point in my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AUGUST 23, 1966.

Hon. VANCE HARTKE,
U.S. Senate.

DEAR SENATOR HARTKE: This replies to your recent letter and telegram concerning the disposal of dredge material in Lake Michigan.

The Corps of Engineers has not ceased dredging the North Branch of the Chicago River, nor ceased dumping the dredged material into Lake Michigan. However, this particular project is due to be completed in less than 10 days, after which dredging will not be required in the Chicago River for 2 or more years.

The Corps of Engineers is responsible for the continued navigability of rivers and harbors on the Great Lakes, which is vital to the economic well being of the entire region. Alternate means and locations for dumping dredged spoil are being intensively studied. No quick and easy solutions are readily apparent from an economic or from a pollution standpoint.

In addition to the foregoing information, a summary of the pollution problem in the Great Lakes in connection with the Corps of Engineers dredging activities is enclosed.

The Corps of Engineers joins with other Federal, State and local agencies in concern of pollution problems such as in the Great Lakes and will continue to seek every means at its disposal to preserve our water resources.

Sincerely yours,

W. P. LEBER,
Brigadier General, USA, Director of Civil Works.

Mr. HARTKE. Mr. President, you will note that the Corps, unable to find alternate points on land for the disposal of the material collected from dredging the north branch of the Chicago River, will continue dumping—further polluting Lake Michigan—as a matter of economy.

Mr. President, it seems incredible to me that the Corps will continue causing damage and seriously augment the pollution of Lake Michigan, which will in the long run cost the Congress and certainly the Great Lakes States millions of dollars to rectify, as a matter of economy.

The Army Corps of Engineers is certainly an arm of the Federal Government and the Pollution Control Agency another arm. Yet, one arm will do the evil and another arm, at a later date, will be called upon to save the soul. The Corps says "budget problems" and will not stop dumping. Although they may not have to dredge the north branch again for 2 more years, we of the Great Lakes States are faced with: the possibility of a usable water shortage in the future; threats to the health and welfare of our Midwest population; and the closing of our beaches. We will have to ask the Federal Government to help undue what the Federal Government has done.

The city of Chicago and its sanitary officials should be embarrassed that they cannot come up with an alternative site for dumping their own city's filth.

At this time we cannot determine just how much it will cost to reclaim that 70,000-acre area of Lake Michigan into which as much as 160,000 cubic yards of filth is being dumped. We cannot figure the cost because we cannot estimate just how rapidly this nutrient laden dredge material will explode in the lake and just how damaging the pollution cycle it triggers will be.

The Army Corps of Engineers in addenda to my letter promised in the future to include the consideration of pollution abatement in other projects which they submit to the Bureau of the Budget. What the Corps is saying is "now that the horse is stolen, we will look at a lock for the barn door."

The distinguished chairman of the Senate Public Works Committee, Senator RANDOLPH, discussed the addenda in remarks earlier this afternoon. I appreciate his help for the Midwest and know of his continuing interest in pollution abatement and water reclamation.

The junior Senator from Wisconsin, Senator NELSON, is quite concerned with this matter and yesterday sent a strong letter to the Army Corps urging serious rethinking on the basic issue of economics on dredge material disposal. I ask unanimous consent to include his letter in the RECORD.

Even though the Corps has promised to study their activities this promise does not remove the filth that the Corps should not have dumped into the lake in the first place.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AUGUST 30, 1966.

HON. STANLEY R. RESOR,
Secretary of the Army, Department of the Army, Pentagon, Washington, D.C.

DEAR SECRETARY RESOR: I have been concerned for some time with the mounting pollution of our lakes and rivers. One particular concern to me has been the pollution of the Great Lakes, resulting in the deterioration and the serious degradation of the southern and western areas of Lake Michigan. I feel strongly that unless agencies at all levels of government and people throughout the country work together in a massive effort to meet and solve our pollution problem, we will be confronted with a national pollution catastrophe in the not-too-distant future.

It has come to my attention that the Army Corps of Engineers is dumping polluted material dredged from the Chicago river into spoils disposal areas in Lake Michigan, and that it intends to pursue a similar practice in a dredging project to be undertaken in Green Bay, Wisconsin. I also understand that this method of spoils disposal has been followed by the Corps in the past when the circumstances were appropriate.

The dredging policy of the Corps was of special concern to the Environmental Pollution Panel of the President's Science Advisory Committee. In its report, "Restoring the Quality of Our Environment," released last November, the Panel noted that the Corps' concern with the navigation effects of dredging and spoils disposal often resulted in substantial adverse effects on other resources. It recommended that decisions concerning dredging and other operations anticipate their impact on all resources and not just navigation, and that resource agencies of all levels of government be consulted by the Corps in making these decisions.

As you know, the most effective solution for our water pollution problem lies in treating wastes fully before they are discharged. Of course, it will be some time before we are able to achieve this solution and the buildup of wastes in our water will continue in the meantime. Even when we have achieved this final solution, however, it will have no effect on the great quantities of polluting matter which will have accumulated in our waters. It is these accumulated wastes which are responsible for any polluting impact of the Corps dredging and spoils disposal practices.

I do not think that polluted material should be returned to a lake or river once it has been removed, even if the disposal location is remote from water intakes. I feel that we must take a broad, long-range view of the pollutional consequences of all of our activities and utilize every opportunity to reduce the load of waste matter in our lakes and rivers. I understand that the Corps is now reviewing its dredging and spoils disposal practices, and I hope that it will be possible for the polluting impact of these practices to be significantly reduced or completely eliminated.

I have discussed the Green Bay dredging project with representatives of the Corps, and they have indicated that a substantial part of the dredged material will be dumped in off-shore spoils disposal areas despite the fact that land disposal areas are available on the waterfront at Green Bay. This practice can only add to the worsening pollution of the waters of Lake Michigan. I hope that the Corps will revise its spoils disposal policy and utilize the land disposal areas which could be made available to it.

Sincerely yours,

GAYLORD NELSON,
U.S. Senator.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is concluded.

Mr. JACKSON. Mr. President, I ask unanimous consent to proceed out of order on another matter.

The PRESIDING OFFICER. Without objection, it is so ordered.

U.S. FORCES IN EUROPE

Mr. JACKSON. Mr. President, a resolution has been submitted by the majority policy committee proposing that it be the sense of the Senate that a substantial reduction of U.S. forces stationed in Europe can be made without adversely affecting either our resolve or ability to meet our commitment under the North Atlantic Treaty. This resolution refers to the reduction of "U.S. forces permanently stationed in Europe," and makes no distinction as to what kinds of forces are to be reduced. Obviously, there are important differences between combat forces and logistic or support elements. What does this resolution really mean?

Mr. President, it may be possible to make some adjustments in U.S. logistic and support elements in Europe as we accommodate our arrangements to the French withdrawal, and as we are able to streamline certain operations. But any suggestion for a unilateral cut of American combat forces in Europe, with no quid pro quo from the Communist side, constitutes foolish advice to the President of the United States, and it is not worthy of the U.S. Senate. Such a recommendation at this time would confirm the European skeptics in their claims of American unreliability. It plays right into the hands of General de Gaulle. It would confound our 13 loyal partners who are working with us to surmount the crisis precipitated by De Gaulle's eviction notice. Beyond this, we would simply be throwing away, by unilateral act, our bargaining position vis-a-vis the Soviets that we have worked long and hard to build up.

It looks to me as though the sponsors of this resolution lack confidence in the wisdom of their own proposal. They are trying to ram this resolution through—a resolution which has the greatest implications for the future of this Republic and of individual liberty—without following the long-established procedures of this body and obtaining the considered judgment of the substantive Senate committees having jurisdiction on these issues.

Mr. President, the hopes of the world for peace with freedom continue to depend chiefly on a strong and confident Atlantic community. The struggle in Vietnam is important. But the North Atlantic area is still the decisive area

and the requirements of the NATO deterrent deserve a very high priority.

This resolution of the majority policy committee ignores the basic reasons for the continued commitment of major U.S. combat forces in Western Europe. My concern today is to state what I believe are the key considerations.

No one of course wants to keep more combat divisions over in Europe than are needed. On purely economic grounds, it would be very nice to cut back. Also, all Members of the Senate, I think, would hope that in the not too distant future some of our allies would see their way clear to share more of the military burden in the Alliance. But this is no time for "a substantial reduction" of U.S. combat elements in Europe—and for two basic reasons.

First. The main purpose of the U.S. troop commitment in Europe is to leave the Russians in no doubt that the United States would be involved if they attacked Western Europe—making it clear to the Russians that they would meet enough U.S. troops to make it a Soviet-American crisis, not just a European crisis.

For 16 years the United States has as a matter of unquestioned policy kept a real combat force in Europe. The function of these American troops, together with European troops, has been, and continues to be, to meet a local crisis as effectively as they can, posing the continual threat that, if the crisis continues and enlarges, the danger of intercontinental nuclear war continues and enlarges with it. That policy is as valid today as it ever has been. It has also been effective. It has closed the door to Soviet westward expansion. No armed attack has been made on Western Europe or North America. Moreover, what justifiable hope there is of a genuine European settlement rests, I believe, on the constancy of this policy.

Second. The important unfinished business of the Atlantic Alliance is to reach a genuine, stable European settlement with the Soviet Union—to create conditions in which people can speak meaningfully of Europe instead of Western Europe or Eastern Europe, and to build a Europe which will strengthen the prospects for world peace and contribute to peaceful progress in Asia, Africa, and Latin America.

Today, in the central region of Europe, Warsaw Pact ground forces number some 800,000. These include about 300,000 Soviet troops and about 500,000 satellite troops. Our NATO ground forces number some 835,000, which include about 210,000 U.S. ground forces and 625,000 allied troops. As things stand this is an approximate standoff.

With a 30-day mobilization period, both sides could substantially increase deployment of men into the central region—again the estimates suggest an approximate numerical standoff.

Among other things, a genuine, stable European settlement will have to involve a reduction of the Soviet forces in Eastern Europe and their return to the Soviet Union. It is evident to me that the Kremlin is more likely to consider favorably such a move if NATO maintains the level of its combat forces than if we cut them back unilaterally.

There is the issue—and it is one on which we in the U.S. Senate need to be clear. Over the years many proposals have been made to reduce American and allied forces, by unilateral cutbacks, or one form or another of unilateral disengagement. It would now be folly for the United States—or our allies—to cut unilaterally our combat capability in Europe.

Mr. President, we and our allies should not cut our combat forces in Europe without corresponding concessions from the Soviet Union, without a quid pro quo—especially so when the concessions we ask are but contributions to a peaceful future for all of Europe, East and West. We could look safely forward to the reduction and redeployment of United States and allied NATO combat forces if the Soviets and the other Warsaw Pact countries make effective military and political arrangements for an equivalent reduction and redeployment of their forces.

What I do not understand, Mr. President, is how the United States can improve its basic bargaining position vis-a-vis the Soviet Union by weakening it—unilaterally.

Mr. KUCHEL. Mr. President, will the Senator yield?

Mr. JACKSON. Mr. President, I yield to the distinguished Senator from California.

Mr. KUCHEL. Mr. President, as a citizen and as a Senator, I am very glad to listen to the words of the distinguished Senator from Washington.

The Senator serves on the Armed Services Committee, and, on a number of occasions, he has been an American delegate at the NATO Parliamentarians' Conferences in Europe. He has participated in debate on problems of American defense and general foreign policy. He has presided over a responsible series of hearings on basic questions of American defense needs.

The resolution which was submitted yesterday is of tremendous importance. Many Senators are not equipped to make an immediate decision upon a matter of such far-reaching concern.

The able Senator from Washington has presented to the Senate today telling points and irrefutable arguments why this resolution ought to go to a Senate committee and there, under appropriate examination of men from the armed services serving here and abroad, and of men in the executive branch and elsewhere. A record should be built making it possible for Members of the Senate to pass judgment on the resolution introduced yesterday.

I congratulate my able friend, the Senator from Washington. That is easy for me to say. I think the service that the Senator has rendered in the comments he has made consists in pointing up the need for the Senate to follow its usual procedures and to have a substantive committee of the Senate sit in judgment on this resolution before it is taken up in the Chamber.

I rose yesterday with the intention of having this resolution referred to a substantive committee for hearings.

Mr. JACKSON. Mr. President, due to a committee commitment I was unable to be present in the Senate Chamber at the time the resolution was presented, when the able Senator from California made certain remarks regarding the resolution. The distinguished Senator from California went to the heart of this issue in his comments yesterday.

I certainly feel, as he does—and as he pointed out most effectively yesterday—the importance of having one of the substantive committees of the Senate have an opportunity to call witnesses and obtain the kind of testimony that we should have so that the Senate will have a record of testimony to consider before it votes on the resolution.

Mr. President, it concerns me that the resolution, as now worded, is in the form of an open-ended disarmament program in Western Europe. There is no distinction made between a reduction in purely supply or support forces and real combat forces. I think the timing of the resolution is bad. I think the wording of the resolution is most unfortunate in every respect.

Mr. KUCHEL. The Senator makes an irrefutable point. That is the very kind of intelligence that ought to be available to Senators in connection with their decision on a resolution of this type.

Mr. JACKSON. I think, too, it is tragic, after all this talk about trying to get the Soviets to cut back on their forces in Central Europe, that we are apparently going to talk—by resolution—about unilateral disarmament, while the Soviets continue to maintain their large and key strategic forces in Central Europe. The Soviets have several hundred intermediate-range ballistic missiles in Europe—far in excess of any such missile capability on the Western side.

I cite that as one element in the problem in addition to the manpower situation.

Mr. KUCHEL. The Senator has made a powerful argument in support of a full committee hearing, including an inquiry into classified data, which obviously would be unavailable in an open debate in the Senate.

I have a few questions that I want to ask the Senator; but if the Senator would permit me, I should like first to speak for 2 or 3 minutes on this subject.

Mr. JACKSON. I am happy to yield.

Mr. THURMOND. Mr. President, will the Senator from California yield to me for a moment?

Mr. KUCHEL. I yield.

Mr. THURMOND. Mr. President, will the Senator from Washington yield?

Mr. JACKSON. I yield.

Mr. THURMOND. I want to commend the able Senator from Washington on the position he has taken in this matter.

I am convinced that this resolution is an important one. It is one that is vital to the freedom of the people of the free world.

I sincerely hope that this resolution will be sent to a committee, where testimony can be taken, the pros and the

cons can be provided, a full hearing can be had, and a committee report can be rendered, so that the Senate will have some document of official value upon which it can act.

In my judgment, it would be a great mistake for the Senate to attempt to act on this matter without a full hearing.

I wish to commend the able Senator from California for taking the position he took yesterday, and has again taken today, on this matter.

I am convinced that this is the only sound procedure that ought to be followed. I have frequently said that important matters should go to committee, a hearing should be held, a report should be made, and the Senate should have the benefit of the opinions of the people who deal with these problems day after day, week after week, month after month, year after year. The Senate should not be called upon to act hastily on such a vital question as this, which concerns the freedom of our people and of the free world.

Mr. JACKSON. I thank the Senator for his very helpful remarks.

I yield to the Senator from California.

Mr. KUCHEL. First, I wish to thank my able friend, the distinguished Senator from South Carolina, for his comments.

Mr. President, these random thoughts go through my mind.

One of the moving sentences from the pen of the late gifted Englishman, Sir Winston Churchill, was that by which he described the theme of the last volume of "The Second World War." That volume is entitled "Triumph and Tragedy." Sir Winston set down the theme as follows:

> How the great democracies finally emerged in triumph, and so were able to resume the follies which had so nearly cost them their life.

I sometimes fear, Mr. President, that in this worldwide convulsion through which humanity is now passing, there is a tendency to draw back and to seek to avoid involvement in the troubles of the rest of the globe outside cne's own national back yard.

Mr. President, earlier this year at a commencement at San Jose State College I said:

> In most of our national life, we were concerned almost exclusively with our own development. America did not play a prominent role in world affairs until called upon by continuing crises which had inflamed the Old World, and which had begun to sear the New. In the aftermath of the First World War, our people were in an almost continuous ferment as to what our country's role in the world should be. Fear and a kind of idealism were competing with one another. President Wilson went to Europe in 1919 speaking of "open covenants openly arrived at" and urging a League of Nations to settle disputes without war. Motivated by a desire for continued isolation, the United States Senate violently disagreed. Later, the United States led the way in world disarmament. In 1928, by the Kellogg-Briand peace pact with France, the United States agreed to outlaw war as an instrument of national policy. We were searching for a better world, and we were beginning to show an interest in our planet. But it took a second bloody global conflict to demonstrate that the world was not going to stop turning, and that we could not get off.
>
> In 1948, another milestone was reached in the development of our role in the world when the late Arthur Vandenberg, speaking in the United States Senate, slammed the door on American isolationism, renouncing the idea that we could live alone in good conscience or, indeed, in self-preservation. His resolution, approved in the Senate, affirmed that United States would seek "international peace and security through the United Nations." It paved the way towards our participation in the Atlantic Alliance, together with Canada and our free friends in Europe. It courageously placed our country on record for providing the United Nations with armed strength and for the regulation and reduction of armament.

Nevertheless, there is no forceful or fully effective peacekeeping machinery in the United Nations.

As the distinguished Senator from Washington has tellingly pointed out, this resolution raises the question: "How the United States can improve its basic bargaining position vis-a-vis the Soviet Union by weakening it unilaterally."

I wish to ask the Senator this: First of all, the resolution speaks about a "substantial reduction of forces." That phrase is susceptible to varying interpretations. I do not know, without comments of a committee which would hear the matter, whether they are talking about a 10-percent reduction, a 20-percent reduction, a 50-percent reduction, or otherwise. Is that not true?

Mr. JACKSON. I think the Senator is correct.

One of the evils of the resolution lies in its open-ended nature. It does create great uncertainty. One can conjecture in many different directions as to what is intended.

Mr. KUCHEL. I shall ask the Senator, based on his own experience with the NATO organization, if he will describe in general terms what diplomatic effects a unilateral withdrawal of American troops would have on the policies of our NATO allies, including particularly Great Britain and West Germany.

Mr. JACKSON. First of all, of course, the way they are proposing to go about this ignores the need to consult with our NATO partners.

We are not engaged in Western Europe on an individual basis alone. We are there as a part of a defense entity, made up currently of 13 active participants plus ourselves, the French being the 15th, now in an uncertain area of participation.

Consultation is crucial to the good working relationship within NATO, and, of course, it applies generally in all relationships between our partners and allies around the world. I think that that fundamental rule has been violated by the introduction of this resolution, which is predicated entirely on a unilateral American move.

Mr. KUCHEL. I agree.

Mr. JACKSON. Secondly, I should observe that the effect of this proposal will make it very difficult to try to work out some lessening of tensions in Western Europe by an effective cutback or rollback of Soviet forces in Central Europe. The opportunity to negotiate that kind of agreement, of course, will be diminished substantially.

Probably more important than the first two points, I should say to my distinguished friend, is the instability in Western Europe that can flow from this kind of move. The temptation to the Soviets to become more adventuresome will be increased. We should remember that the Soviets not too long ago—in fact, as late as 1961—started the Berlin crisis. The Soviets stirred up trouble. When they found that they faced superior forces, when they found that our will was firm, and our intention was to defend Berlin at all costs, they made adjustments. I think the danger in the proposed approach lies in the fact that it is going to create a more unstable Europe. The temptation to the Soviets to fish in the troubled waters will be great. We could look forward to crises of unpredictable proportions.

The statement was made on the floor of the Senate in support of the resolution that things have changed in Europe; that we now have a different situation than we had back in 1951 and 1949. I agree that it is different. The real question is: Why is it different?

I submit, Mr. President, that one of the reasons why things have changed in Western Europe, the reason why the Soviets appear at times to be more moderate, the reason why the satellites are making some real progress toward less dependence on Moscow, stem from the allied strength that exists in the Western community. Anything that tends to lessen that strength, that tends to cut down that posture, that indicates a diminution of will, creates new temptations for adventurism by the Warsaw Pact countries, and especially the Soviets.

Mr. KUCHEL. I agree with the Senator.

Mr. President, will the Senator yield further?

Mr. JACKSON. I am happy to yield further.

Mr. KUCHEL. The point which the Senator has just made in a very excellent fashion is reflected in one of the statements made in a splendid editorial in the Washington Post entitled "Americans in Europe." The editorial states:

> And if a troop reduction is to have a constructive effect upon abating the cold war and promoting a European settlement, surely it ought to come after, not before, serious talks with the Soviet Union.

Mr. President, I ask unanimous consent that there be printed in the RECORD the entire text of the editorial which appeared in today's Washington Post.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

AMERICANS IN EUROPE

No one with a respect for reality would contend that a fixed specific number of American troops in Europe was necessary indefinitely in order to deter Communist aggression. In that sense it probably would not be catastrophic if the Administration were to follow the advice of the Senate Democratic Policy Committee and bring about a "substantial reduction" in the size of American forces. This would in no way constitute an abandonment of Europe. Nevertheless, both in method and in timing, the effect of

the Democratic resolution could be extremely damaging.

The most immediate effect will of course be felt in Germany. Coming on top of the withdrawal of French troops from NATO (although two rudimentary divisions remain in Germany) and the likelihood that a British division will be pulled back, the removal of one or more of the six American divisions would emphasize dramatically that Germany is much more on her own.

This would not necessarily be all bad. It is time that the Germans faced more of the facts of international life—and, indeed, they have begun to do so with a more flexible diplomacy. But the catapulting of Germany again into the ranks of major military powers already has had some unfortunate side effects, as in the technological lag evident in the Starfighter crisis. Perhaps the Germans would prefer a reduction in the number of American troops to more Pentagon pressure to meet support costs or to buy American weapons they do not really need so as to help this country's balance of payments. Even so, the prospect of troop withdrawals could only further undermine the already shaky political position of Chancellor Erhard on the eve of his visit to Washington.

Beyond this, there is the influence of such a unilateral move upon NATO and Western strategy. The United States has pressed its allies to do more for the common defense, and undoubtedly they could afford to do so. It has been embarrassed by criticisms that Washington officials tend to act unilaterally instead of consulting with the alliance. Yet here is a completely unilateral proposal, made with no attempt to consult the Allies on how it would affect them. More than this, the inevitable effect of sizable withdrawals would be to sink an additional spike into Secretary McNamara's "pause" doctrine—whereby enough troops would be available with conventional weapons to delay an enemy and permit a deliberate decision on whether to employ nuclear weapons. A prompt resort to nuclear weapons would become more likely.

It is quite true that the international climate has changed since the tense days of 1951 when a Senate resolution urged the stationing of six American divisions in Europe. But the lessening of tensions, strictly speaking, arises from a reinterpretation of Soviet intentions, not from a diminution of Soviet capabilities. There has been no reported reduction in the 20 Soviet divisions stationed in East Germany, let alone those in Poland and Hungary. Why, if we are to contemplate a troop reduction, did we not make it a matter for negotiation with Moscow so as to obtain a possible *quid pro quo* instead of throwing away a bargaining card?

Finally, there is the matter of the psychological effect of a unilateral withdrawal upon Western Europe. This area is now subjected to currents of isolationism and given to doubts about American policy in Vietnam. If it is true that the United States cannot ignore its interests in Asia because of Europe, the opposite is equally true. What this sort of legislative pressure may do is persuade many Europeans that their suspicions are justified—that isolationism is returning to America and that the United States does not have the will to stay the course. If there is to be a troop reduction, surely this ought to be a deliberate decision of NATO policy. And if a troop reduction is to have a constructive effect upon abating the cold war and promoting a European settlement, surely it ought to come after, not before, serious talks with the Soviet Union.

Mr. KUCHEL. The Senator makes this point also. It may be possible to make some adjustments in U.S. logistic and support elements, as we accommodate our arrangements to the French withdrawal, and as we streamline certain operations.

As the Washington Post editorial said, in complete agreement with the position of the Senator:

> No one with a respect for reality would contend that a fixed specific number of American troops in Europe was necessary indefinitely in order to deter Communist aggression.

The Senator goes on to indicate that there could obviously be a decision made to alter the precise strength level there. But again, if the Senate is to enter into what essentially is a decision of the Executive, surely the Senate should be guided by the kind of hearings which the Senator from Washington [Mr. JACKSON] held this year as chairman of the Subcommittee on National Security and International Operations of the Government Operations Committee.

Mr. JACKSON. I heartily concur with the comments of the Senator.

Again, referring to the resolution, the resolution makes no distinction between a cutback in combat forces and a cutback in logistics or supporting forces.

The key question for the Senate, of course, is to determine whether it is wise to make a substantial cutback in combat forces. I can say that we could probably cut back—and this is what the hearing could usefully determine—perhaps several thousand logistic and supporting troops. In my own mind, there is no question about that. The real issue is: What would a so-called substantial reduction in combat forces do to our posture as it relates to the Soviet threat which, in turn, will have a real bearing on Soviet intentions. This is a crucial issue.

It is unfortunate that an imprecise, open-ended resolution is introduced to deal with a highly intricate and terribly involved problem of the disposition of military forces in the NATO community.

Mr. KUCHEL. Is it not true that in dealing with this kind of a resolution it is vital that the views of the Secretary of Defense, the Secretary of State, the service Secretaries, and the members of the Joint Chiefs of Staff be spread upon the record; and, indeed, are not the views of the Commander in Chief important?

Mr. JACKSON. I could not agree more. It is true that some of the individuals to whom the Senator has referred have commented from time to time, but we have not had a hearing dealing with this specific question and questions that are raised by the resolution which was introduced yesterday.

I believe that it would be especially helpful to have the views of the Joint Chiefs of Staff. We have had comments in open hearings by the Secretary of State and the Secretary of Defense opposing at this time any cutback in combat forces. But to my knowledge we have not had, and the American people have not had, knowledge of the views of our top professional soldiers. I think we should have a well-documented record in this regard before the Senate can intelligently vote on a resolution of such far-reaching consequences.

Mr. KUCHEL. I agree completely with the Senator in that regard. Traditionally the United States has given major emphasis to the Atlantic Alliance. I think that it still should.

Is there not implicit in the introduction of the resolution the possibility that it will be interpreted abroad as an abandonment of that position, either because of America's potentially growing isolationism or because of America's involvements in southeast Asia?

Mr. JACKSON. I do not know if it will have that exact effect, but it would have, it seems to me, the effect of aiding and abetting those elements in Europe who question the reliability of the United States to be there if the conflict should start. I think that this is the question that will be raised, especially by General de Gaulle and those who follow his views.

I would hate to see action by this body that would tend to corroborate the views of these people who question our credibility, who question our reliability, and who say that we, in time, will revert to the isolationism of post-World War I.

Mr. KUCHEL. There is another point which the editorial makes, and I wish to call it to the attention of the Senator:

> Yet here is a completely unilateral proposal, made with no attempt to consult the Allies on how it would affect them. More than this, the inevitable effect of sizable withdrawals would be to sink an additional spike into Secretary McNamara's "pause" doctrine—whereby enough troops would be available with conventional weapons to delay an enemy and permit a deliberate decision on whether to employ nuclear weapons. A prompt resort to nuclear weapons would become more likely.

Is it not true that the Armed Services Committee, for example, and perhaps the Foreign Relations Committee as well, should sit in judgment on this kind of question and develop a record for the rest of us?

Mr. JACKSON. Certainly. It raises, of course, the question as to what kind of options we would have available in the event of aggression in a given area within the NATO community. The point is that we should have the ability to resist aggression in a manner and in a way which will meet force with appropriate force; but, certainly, if a situation arises at the outset which does not require the use of nuclear weapons, we should not use them. It is somewhat similar to the doctrine in common law that, in defense of our person, we have the right to use such force as will repel an assailant. But there is no need to get into a situation where we have to engage in wholesale slaughter in order to properly and effectively resist aggression. By cutting back conventional forces we reduce the options available to the President of the United States and to the responsible heads of the NATO community.

I thought that this was one of the objectives that both administrations sought to maintain in dealing with the problems of this troubled world. The conflicts we have been involved in since the end of World War II have been short of the use of our awesome nuclear power. I think

it is vital that we keep our military flexibility. It points up once again the need to have the views of our professional military people in this situation.

Mr. KUCHEL. I repeat my congratulations to the Senator from Washington. I want an opportunity to cast my vote to have the resolution referred to committee. The record the Senator has made here today has given abundant reason why that procedure is in the best interests of the people of the United States.

Mr. JACKSON. I merely want to say what I said earlier, that I commend most highly the senior Senator from California, and able minority whip, for the way in which he ventured into this problem yesterday with the questions which he raised on the floor of the Senate. They went to the heart of the problem. His comments today are very helpful in putting this whole question in its proper perspective. I commend him again.

Mr. KUCHEL. I thank the Senator from Washington.

Mr. COTTON. Mr. President, will the Senator from Washington yield?

The PRESIDING OFFICER (Mr. PROXMIRE in the chair). Does the Senator from Washington yield to the Senator from New Hampshire?

Mr. JACKSON. I am happy to yield to the Senator from New Hampshire.

Mr. COTTON. Let me say to the Senator from Washington that I do not want to take any of his time, knowing how busy he is, but I do want to join in commending him for making another one of his typical and characteristic approaches—reasoned, careful, logical, and very vital—to this problem. I thoroughly associate myself with everything he has said.

Mr. JACKSON. I thank the Senator from New Hampshire.

Mr. COTTON. At the end of the colloquy that the Senator had with the Senator from California, the Senator from Washington touched on a matter which I have been waiting to mention this morning.

It is this: Certain hidden dangers are lurking in the situation which makes it doubly imperative—even though the pending resolution bears the signatures of some of the most thoughtful, careful, and well informed Senators—that the Senate should not take any action which could even remotely be characterized as headlong or hasty.

I would remind the Senator from Washington that on April 30 of this year, the Washington Post published an article written from London by Don Cook of the Los Angeles Times, reporting on a conference of NATO leaders in London. In that article it was stated—and the article is practically my sole authority—that at the suggestion of some of the NATO allies, a committee was formed, of which the distinguished Secretary of Defense of the United States was named as chairman, to explore the possibility of filling the gap left by the virtual withdrawal of France, and making it less necessary to furnish conventional weapons and ground troops by a planned nuclear defense of NATO and of Western Europe.

The article further stated that this defense plan would consist of three categories. The first category would be the prepositioning of nuclear demolition charges or landmines which would be used to block strategic invasion points if NATO territory were to be invaded.

The second category would be the use of nuclear antiaircraft weapons in the event of an air attack against NATO territory.

The third category would be nuclear antisubmarine weapons in the event of attack against naval forces, ports, or harbors.

The proposal seemed to me to be exceedingly dangerous because even though contending that nuclear weapons would be carefully selected and used only to resist aggression, and further contending that the threat may be a deterrent, it serves notice of the touching off of automatic nuclear conflict in the event of certain aggression by our opponents.

There is no partisanship on my part involved in this discussion. Frankly, I was one who shuddered when President Eisenhower and Secretary Dulles announced their program of massive retaliation. I commended the late President John F. Kennedy for his "pause theory" mentioned in this article, which is based on the fact that no nuclear weapons would ever be used even to resist aggression by NATO until the President of the United States himself determined it to be necessary.

It seemed to me that this nuclear concept was extremely dangerous. It was remarkable that the substance of the article written by Don Cook—mentioned briefly, I believe, in Time magazine—suddenly disappeared into a cavernous silence. So far as I have been able to determine, not one word has been said about it publicly since.

A short time ago, Secretary of Defense McNamara, it was stated, departed for Europe for a conference concerning the defense of NATO, but not one word was mentioned about the projected idea that he was supposed to be the chairman of a committee working upon the idea mentioned in the article.

I am sure that there is no purpose but good on the part of the proponents of the resolution, but for the Senate to voluntarily step into this picture and discuss withdrawing troops from Europe at this time is likely to help lay the foundation for a step which will put the United States of America in the position of being the nation to proclaim definitely its intention to resort to nuclear weapons—which, in my opinion, would be a supreme disaster.

Mr. JACKSON. Mr. President, certainly substantial cutbacks in conventional forces would tend to create a situation in which our response would have to be nuclear, whereas with the kind of conventional forces that could and should be maintained, we would have the options that could avoid such a possibility. I should say further that the Senator from New Hampshire has properly raised thoughtful questions that should be gone into in a committee hearing on these questions. I believe the questions are vital and important and, in my judgment, should be responsibly answered.

Mr. COTTON. That is the feeling of the Senator from New Hampshire. I am glad to have it corroborated.

The only thing I would add is that I understand some of this information may later become classified, but this much has been in the press. I hope the Senator would not object if I asked unanimous consent—and I do ask unanimous consent—to have inserted in the RECORD at the end of the colloquy the article which appeared in the Washington Post on April 30, 1966, a short analysis in the Washington Post of April 30, 1966, by Chalmers M. Roberts, and brief mention which appeared in the magazine Time for May 6, 1966.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. COTTON. I thank the Senator and again commend him.

EXHIBIT 1

[From the Washington Post, Apr. 30, 1966]

AUTOMATIC A-RESPONSE PROPOSED—MCNAMARA OFFERS NEW POLICY IN TALKS WITH FOUR NATIONS

(By Don Cook, Los Angeles Times)

LONDON, April 29.—The United States has quietly dropped its doctrine of "nuclear pause" in defense planning for Europe, and is now proposing to its Allies a new policy based on an automatic but limited and controlled nuclear response to attacks on NATO territory.

This fundamental shift in American nuclear doctrine has emerged in two days of secret talks among five key NATO defense ministers—from the United States, Britain, Italy, West Germany and Turkey—meeting under the chairmanship of Secretary of Defense Robert S. McNamara.

Also taking part in the discussions were NATO Secretary General Manlio Brosio and the two NATO supreme commanders, Gen. Lyman L. Lemnitzer from SHAPE near Paris and Adm. Thomas H. Moorer from Atlantic Command in Norfolk, Va.

TIME FOR REFLECTION

Under the "pause theory," it was laid down that there would be no automatic nuclear response to any attack—that the President of the United States would make the decision under the circumstances of an attack.

The idea was to give time for reflection before allowing an attack to develop into nuclear war. The "pause" might last 20 minutes or 48 hours or even a matter of days.

In place of the "pause theory," which was instituted by President Kennedy in 1961 to the particular irritation of the French, the United States is now moving back to the idea of limited but automatic nuclear response to any attack against NATO.

The Americans are proposing that plans be drawn up for use of nuclear weapons in three carefully controlled categories.

UNDER SECRETARY BALL SEES PERIL TO EUROPE IN DE GAULLE "GRAND DESIGN"

The first category would be the pre-positioning of nuclear demolition charges or land mines, which would be used to block strategic invasion points if NATO territory were to be invaded.

The second would be the use of nuclear antiaircraft weapons in the event of an air attack against national territory.

The third category would be nuclear antisubmarine weapons in the event of an attack against naval forces or ports or harbors.

In all cases, this nuclear response would be purely defensive, limited to tactical weapons that would go off either on the territory of the invaded rather than the invader, or at sea.

Any decision to escalate and retaliate with tactical air strikes against the territory or cities of the attacker would remain an entirely different question. But the new American proposals would end the present uncertainty in NATO as to whether, and when, nuclear weapons would be used in European defense.

The pause theory has meant that nobody in Europe knew when the President of the United States might give the word, and it has enabled the French in particular to harp on the doubts and uncertainties as to the American nuclear commitment for European defense.

French Premier Georges Pompidou, in defending President de Gaulle's anti-NATO policies before the French National Assembly last week, pointed to the fact that the pause theory was instituted by President Kennedy and the Pentagon without the slightest consultation with the rest of the alliance.

McNamara's new proposals, put forward in two days of meetings at the British ministry of defense, will go a long way toward restoring a balance, and putting nuclear weapons back into the NATO war plans. At the same time, by limiting this automatic use of nuclear warheads to purely defensive response to attack, the new plan avoids risks of instant escalation.

This "nuclear planning working group," which first met in Washington in February, will meet again in July, possibly in Paris despite (or to spite) de Gaulle.

The ministers then plan what they expect to be a final meeting in Rome in the autumn, and after that they expect to recommend that this planning group be made permanent with a permanent staff as part of the general result of the ouster of the alliance from France.

In effect, this would become a "nuclear standing group."

[The three-point McNamara program also was reported Friday by William H. Stoneman of the Chicago Daily News Foreign Service.

[Stoneman said the points involved in preplaced demolition charges would be west of the Iron Curtain and thus nuclear explosions could not be used by the Russians as a provocation for using intercontinental missiles against the United States or intermediate missiles against Western Europe.

[Stoneman also noted that the idea of nuclear demolition charges had been mentioned at a NATO Council meeting in December, 1964.]

NEWS AGENCIES REPORT

The communique marking the end of the London meetings said the Defense Ministers agreed to plans for a chain of new commands across Europe to control the 6000 nuclear weapons at the disposal of NATO.

No details were given, but sources said the plans would call for regional groupings within NATO. The United States would be a member of each of the regional groups. Probably there will be three—one for southeastern Europe, another for southern Europe and a third for nothern Europe.

The communique said the Defense Ministers would take up the problem of nuclear participation for non-nuclear nations at their July meeting.

It said they would consider "possible modifications in organization and procedure to permit a greater degree of participation in nuclear planning and to make possible appropriate consultation in the event their use is considered."

KARL E. MEYER, OF THE WASHINGTON POST, REPORTED FROM LONDON

Five NATO Defense Ministers took the first step Friday night in forming what may become a nuclear standing group amid reports that the United States has proposed a basic change in nuclear defense strategy.

But none of this was spelled out in the short formal communique released after the two-day meeting of the nuclear planning working group comprising defense ministers of the United States, Germany, Italy, Britain and Turkey.

Nor were there any loud echoes of the controversy in Washington as to whether the United States has shelved proposals for a "hardware" solution to the problem of nuclear sharing in the alliance.

There is an evident effort here, however, to take an affirmative view of the "consultative" approach, whereby NATO Allies—most notably West Germany—can have a large voice in planning nuclear policy without necessarily possessing hardware.

German sources said they were satisfied with the presentations but no specific response could be elicited on the implications of dropping the "pause" strategy.

The problem of the "pause" came up in the context of detailed discussions of tactical nuclear warfare planning. There are more than 500 tactical weapons now in Germany.

In institutional terms, the working group is preparing recommendations for arrangements that would give permanent basis to a nuclear standing group, though this term is still avoided. The working group—known as the "McNamara Committee"—will meet again in July with Paris as the likely place.

[From the Washington Post, Apr. 30, 1966]

"MCNAMARA" PLAN MAY STIR NEW ROW

(By Chalmers M. Roberts, Washington Post staff writer)

The new plan for nuclear defense of Western Europe ascribed to Defense Secretary Robert S. McNamara would have major repercussions in the Atlantic Alliance if it actually came to pass.

The plan, an abandonment of President Kennedy's "pause" theory, reportedly calls for prepositioning nuclear charges or land miners to block a Soviet ground attack, the use of nuclear antiaircraft weapons against air attack and use of nuclear submarine weapons to protect against naval attack.

American officials said last night that such a plan has yet to be approved by the Johnson Administration in any formal sense.

However, they said it was entirely possible that McNamara had suggested it to the NATO defense ministers as a means of resolving some of the alliance's problems. While it is a military proposal, the plan would have important diplomatic meaning.

The three points of the plan are not themselves new. The first two points were advocated in a Foreign Affairs magazine article by German Defense Minister Kai-Uwe von Hassel in December, 1964. The first point, the land mine idea, was taken up at the NATO Council meeting in early 1965.

Von Hassel's proposal, which came after talks at the Pentagon, was designed to prevent the Soviet Union from believing that it "could seize pawns for future negotiations," as he put it; that is, seize part of West German territory without any Western nuclear response.

The three weapons systems McNamara is said to have described are what are known as defense and denial weapons to protect the territory of the nation on which they are stationed. The land-mine system, designed to deter or frustrate a Soviet ground attack, is still under formal Administration consideration in Washington.

However, the idea here is not to pre-position such mines but to keep them in storage for security and other reasons until a certain stage of diplomatic alert had been reached. Only then, with war likely, would they be emplaced.

When the von Hassel proposal became public in 1964 there was a furore in Europe and the defense minister made a public denial that Germany planned to lay mines along its frontier with East Germany in times of peace.

The new McNamara move is likely to recreate the storm, especially since some factions in West Germany are moving to improve relations with Communist East Germany and since the Soviet Union always objects to any West German move involving nuclear weapons.

While the McNamara scheme would make nuclear response to a Soviet attack more likely than the Kennedy "pause" theory, it is still a fact that only the American President, by law, can order the firing of nuclear weapons.

By allaying West German fears of being partially overrun before a "pause" for negotiations, however, it might be possible for the United States to reduce its troop commitment in Europe. There long has been talk here, although no decision, of reducing these forces.

However, the central NATO nuclear issue has to do with what share, if any, the West Germans should have in nuclear management. Here not only the Russians but most NATO nations, excepting the United States, oppose anything approaching a "German finger on the trigger."

The McNamara formula conceivably could be used by these opponents to argue that it met the legitimate German demands. But the West Germans are not likely to agree. They want some role in the control of strategic nuclear weapons capable of striking the Soviet Union in reprisal for an attack on Germany of any sort.

In short, as some officials here see it, there is no real link between the "pause" issue and the nuclear-sharing problem.

McNamara has a penchant for tossing out new ideas not fully appraised in Washington or in advance consultation with the allies. French Premier Georges Pompidou recently taunted him for unilaterally altering NATO strategy in 1962 when he introduced the doctrine of "flexible response." The Secretary also created the so-called McNamara Committee, the group that has just met in London, without touching all bases first in Washington.

It appeared last night that McNamara once again has put forward an idea before it was fully approved by the Administration of which he is a key member.

[From Time magazine, May 6, 1966]

NATO: A STEP TOWARD SHARING

One of Charles de Gaulle's chief criticisms of the North Atlantic Treaty Organization is that the U.S. might not respond with its full nuclear power if a Communist aggressor attacked Europe. In London last week, the U.S. and four key NATO partners agreed to a new plan that seemed aimed at refuting the French objection. It calls for a chain of commands across Europe to give Washington's remaining 13 NATO partners a joint voice in the target selection and firing of 6,000 tactical nuclear warheads, which the U.S. has placed in Europe for NATO defense. U.S. Defense Secretary Robert McNamara and his West German, Italian, and Turkish counterparts also endorsed a British proposal that the Atlantic Alliance must be prepared to "escalate its nuclear response rather than accept defeat in a European war."

FEARS OF A GAP

Still unsolved was another problem of the NATO crisis: the fate of the two French army divisions and two air wings now stationed in West Germany. When De Gaulle withdraws his forces from NATO on July 1, will his soldiers stay across the Rhine or go home? Understandably, the Germans are loathe to see the French forces pull out and leave a gap in the NATO armor. De Gaulle, of course, would like to leave French forces in Germany under the old occupation status. To gain leverage on the Germans, Paris has hinted that if French troops withdraw from West Germany, they might also withdraw from Berlin.

Chancellor Ludwig Erhard refuses to be bullied. "There can be no throwback to occupation status," he declared in Berlin last week. "Nor will we abandon our position that French troops [in West Germany] must have a definite task within defense planning." A tripartite group of British, West German and U.S. diplomats last week produced a paper that said much the same thing; it will serve as Bonn's bargaining position in next month's talks with the French. Erhard hopes that the 27,000 French troops in Germany will remain on station, linked unilaterally with the West Germans in the present NATO chain of command.

UNDER THE UMBRELLA

Such a plan would have advantages for the French. For one thing, it would give them continued access to the American tactical nuclear warheads in West Germany, which France now shares under the NATO "two-key" system. For another, it would enable France to keep troops in Germany, which, in French minds at least, serves to dampen the resurgence of their old enemy's aggressive spirit.

Whether De Gaulle will be impressed by those considerations remains to be seen. Despite his vocal "suspicion" of American intentions in Europe, he is nonetheless counting on the U.S. to shield France from aggression no matter how much mischief he stirs up. He admitted as much in a recent meeting with Erhard. When the Chancellor protested that "we cannot live without the protection of the U.S.," De Gaulle replied blandly: "Neither can we."

Mr. DOMINICK. Mr. President, will the Senator yield?

Mr. JACKSON. I am happy to yield to the Senator from Colorado.

Mr. DOMINICK. I have been listening with great interest to this discussion because I think it is of tremendous importance to our country and the whole system of security we have built up; but I wonder if it is not true that we may be straining at gnats, because the resolution is, first of all, only a sense-of-the-Senate resolution. Second, it states that the action can be taken, in our opinion, without adversely affecting our resolve or ability to meet our commitments under the North Atlantic Treaty Organization.

It seems to me that we are simply saying that, on the basis of the evidence we have, it seems as though this action would be possible, and that if it is possible, it would be advantageous to us, but that "It is up to you downtown" to determine whether it is possible.

If that is so, then the question of whether or not we should have much more evidence or whether we should have the opinion of the Defense Department really will not contribute very much, because what we are saying in principle is that we think we can do it, and, if we can, "Please do."

Mr. JACKSON. I should like to make a couple of observations about the remarks of the distinguished Senator from Colorado. One relates to the interpretation of the resolution both within the NATO community and the satellite community, as well as in the Soviet Union. I think it tends to create a great deal of uncertainty. The resolution does not urge merely a reduction. I believe there can be a reduction in certain elements of American manpower in Europe, especially in the logistics and support area. But the resolution refers not merely to a "reduction," but to a "substantial reduction." That is the first point.

The second point is that if the resolution is to be based on a solid set of facts, how can the Senate make the decision stated in the resolution except on the basis of a solid set of facts, unless it finds, for example, from the Joint Chiefs, that it makes military sense, as far as their being able to carry out the military commitments of our Government? How can we act on the floor of the Senate without having before us a record that at least is in some accord, that at least corroborates in some fashion, the words of the resolution?

Mr. DOMINICK. With all due respect to the Senator from Washington, I doubt whether Senators such as the Senator from Georgia [Mr. RUSSELL] or the Senator from Missouri [Mr. SYMINGTON], or many others, would support this type of resolution unless they had had before them for a period of time the historic development of our abliity to meet our commitments with reduced forces. I think this is what they are saying.

Mr. JACKSON. I have the highest regard for every member of the policy committee, especially those members who have followed closely our military requirements; but again I point this out.

Perhaps it is a fact—I do not know—but I would like to know whether the policy committee had the benefit of the views of the Joint Chiefs of Staff. Would not the Senator from Colorado, as a Senator, want to have the benefit of those views?

Mr. DOMINICK. Listening to the colloquies yesterday, and reading them again today in the RECORD, it seems to me evident that Senators PASTORE, SYMINGTON, and RUSSELL of Georgia, have talked over and over again in their committees the problems of the possibility of withdrawing without affecting our interests or free Europe's interests.

Mr. JACKSON. Let me put it this way: To the best of my knowledge, I do not know of anyone from the State Department, from the Secretary of State on down, or from the Department of Defense, from the Secretary on down—that is, military and civilian defense—who has made this recommendation, and I am a member of the Committee on Armed Services.

Mr. DOMINICK. That I well know.

Mr. JACKSON. Also, I am chairman of a subcommittee of the Committee on Government Operations, which has made a study of NATO, and we have had the Secretary of Defense and the Secretary of State before us. We have not had the Joint Chiefs before us. But I cannot recall any testimony in the record, either of the Defense Appropriations Subcommittee, of which I am an ex officio member, or of the Armed Services Committee, in which it was testified that we could make a "substantial reduction"—and this is what I am trying to point out; a "substantial reduction"—in our military forces in Western Europe.

Mr. DOMINICK. Without adversely affecting our commitment.

Mr. JACKSON. That is correct. I know of no testimony in the record of any of the hearings of the Armed Services Committee or the Appropriations Committee, supporting such a position.

Mr. COTTON. Mr. President, will the Senator yield for one more brief observation?

Mr. JACKSON. Yes.

Mr. COTTON. Will the Senator agree with this? While it is the duty of the Congress and its committees to study carefully—and these distinguished Senators whose names have been mentioned are certainly well informed—our overall efficiency militarily and diplomatically, fundamentally it is not the duty of the Congress, nor is it very practicable for the Congress, to take part in the deployment of troops. Does the Senator agree with that statement?

Mr. JACKSON. I certainly agree with that.

Mr. COTTON. It is in the hands of the Commander in Chief and the military authorities. No matter how many people these distinguished Senators have discussed this with, and no matter how sound may be their position, the Senator from New Hampshire would agree 100 percent with the Senator from Washington that before the Senate says what we, officially and formally, as the Senate of the United States say, every Senator has the right to know what the facts are; and the only way we can know what they are is by exploration and consideration of the facts in hearings by a proper committee.

Mr. JACKSON. I repeat what I said earlier, that the resolution is vague and open-ended. I repeat that no distinction is made, in the resolution, between the reduction of combat forces and of logistics or support forces. The resolution could, of course, be clarified, and when it comes up, should be and can be appropriately amended.

I would not be so concerned about the problem were it not for the fact that the means by which we have been able to avoid a thermonuclear war is the cooperative, mutual arrangement between North America and Western Europe expressed in the North Atlantic Treaty Organization. That is the vital center of world peace and security. We have some 40-odd alliances around the world. They are important; but I think it is equally important to have a sense of priorities. The center of freedom, for better or worse, exists in this grand alliance between North America and Western Europe.

I do not need to cite statistics and figures, but considering only one or two factors, I think Senators should be very cautious and very careful as to how they

proceed in trying to deal with this vital area of the world.

Mr. DOMINICK. Mr. President, will the Senator yield?

Mr. JACKSON. I will appreciate the opportunity to finish.

In the North Atlantic Community, the combined gross national product is over a trillion dollars. The gross national product of the Soviet Union is less than $300 billion. When you put all of the satellites and the Communist nations together, they have a combined gross national product of around $500 billion. When you look at the population figures, we have more people in the NATO community than there are in the satellite and Soviet community. NATO is, in effect, the industrial heartbeat of the world. It is the means, in my judgment, by which we have avoided, up to now, a catastrophic thermonuclear conflict. I think we should be wary. I think we should be careful. I think we should be cautious in doing anything that might weaken or upset this grand alliance.

Mr. DOMINICK. Mr. President, will the Senator yield?

Mr. JACKSON. Yes; I am happy to yield.

Mr. DOMINICK. Because I think the colloquy yesterday and today on this subject is of great importance, I have asked the Senator to yield for a few observations.

First, I agree with him completely that the center of the safety and freedom of the world is involved in the free world nations, with the great industrial and economic strength that exists in Europe, backing our position and backing the positions of some of the free Asian countries.

Second, I agree that NATO has been of extreme importance in preventing aggressive acts—or acts, at least, that might have produced very troublesome problems—by the Soviet Union.

Third, I say to the Senator that I also agree that as far as I personally am concerned, I do not feel that there is any less danger from the Soviet Union at the present time than there was a few years ago. Consequently, I think we have to keep our guard up throughout.

What the resolution says is not that we can rely on the Soviet Union, not that we can simply pull out and leave NATO to fend for itself, but that there is room, with the economic development and improved conditions in the European theater, to get our allies there up to their NATO strength, and that we can still support NATO by reducing our forces, and still be able to meet our commitments. That is specifically what the resolution says. I would not wish any colloquy here to give the impression that we are withdrawing from our commitment to NATO, because that is not what the resolution says.

Mr. JACKSON. I have no quarrel with the Senator from Colorado regarding the need to get our allies to do more. I have no quarrel with the possibility of some cutback in certain categories of American manpower in Western Europe—for example, in U.S. logistic and support elements. But I wonder whether this is the wise way, the prudent way, to go about the problem, at a time when NATO is going through some difficult times. I question the wisdom of this approach. I question the timing of the approach.

Certainly the resolution that is before the Senate is ambiguous. It talks about a substantial reduction in American forces. That immediately raises in the diplomatic community and the NATO community all sorts of questions and uncertainty. It certainly would encourage the Soviets to say, "One thing about dealing with the Americans in the area of disarmament or arms control; if we wait long enough, we will not have to make any concessions or cutbacks here and there, because the Americans will do it unilaterally."

I think one of the great mistakes in the resolution is that it ignores completely the opportunity to use a cutback as a diplomatic bargaining device.

Mr. DOMINICK. With all due respect to the Senator from Washington, there is nothing about disarmament in this resolution. Not a thing.

Mr. JACKSON. Of course not.

Mr. DOMINICK. It says we can withdraw them from Europe. We are already engaged in a war in Asia.

Mr. JACKSON. I understand our problems in Asia. But let me reiterate what I said in my opening remarks, that one of the reasons why the Senate, on a bipartisan basis under the leadership of that great and distinguished Senator from Michigan, the late Arthur Vandenberg, initiated the policy we have followed, was to have a real American military presence in Europe, which would make any showdown not a Soviet-European crisis but a Soviet-American crisis. That is the key to the deterrent to the Soviets. That is the means by which we have avoided, in my judgment, the possibility of a thermonuclear war.

Mr. DOMINICK. I agree with the Senator completely.

Mr. JACKSON. But I say to my distinguished friend, does he not think it is going a long way to come in with a sense-of-the-Senate resolution and talk, now, all of a sudden, about not just a reduction but a substantial reduction of American military might in Western Europe? That is the question I am raising, among other things.

I think that is all the more reason, Mr. President, why there should be a thoughtful and carefully directed hearing by an appropriate committee or committees of Congress. We have time to act on the matter. There is not that much rush. The problem has been with us a long time.

I would only hope that after all the discussion about the need for a great debate in the Senate, that great debate could take place, and that it would be predicated upon following the usual processes of the Senate. If hearings were held, wherein varying points were raised, we would have at least some authoritative background to support specific positions that obviously will be taken by various Senators.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOMINICK. Mr. President, what is the pending business?

The PRESIDING OFFICER. Debate is not in order. A quorum call is in progress.

The rollcall was continued.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT OF SECTION 4 OF THE DISTRICT OF COLUMBIA INCOME AND FRANCHISE TAX ACT OF 1947

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1521, H.R. 8058.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 8058) to amend section 4 of the District of Columbia Income and Franchise Tax Act of 1947.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on the District of Columbia, with an amendment, on page 2, line 12, after the word "Act.", to strike out "and with respect to taxable years ending with or within the seven year period ending on the day before the date of enactment of this Act. Notwithstanding any law or rule of law, refund or credit of any overpayment attributable to the application of the amendment made by the first section of this Act shall be made or allowed if claim therefor is filed before the sixtieth day after the date of enactment of this Act. No interest shall be allowed or paid upon any overpayment of tax—

"(1) with respect to any taxable year ending before the date of the enactment of this Act, and

"(2) arising by reason of the enactment of this Act, for any period before the expiration of the fifteenth day of the fourth month following the month in which this Act is enacted."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1558), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of H.R. 8058 is to restate, by amendment, certain provisions of the Income and Franchise Tax Act of the District of Columbia (act of July 16, 1947; 61 Stat. 328) as amended by the act of May 3, 1948 (62 Stat. 206) relating to corporations which have a place of business; an officer, or representative located in the District of Columbia

for the sole purpose of doing business with the United States.

The bill is directed solely to clarifying, in the case of a corporation or unincorporated business making sales of personal property and maintaining a place of business or officer, agent or representative in the District, the activities which such a corporation or unincorporated business may carry on in the District without such activities constituting a "trade or business," as those words are defined in existing law.

The Subcommittee on Fiscal Affairs held a hearing on H.R. 8058 on September 10, 1965.

BACKGROUND: THE FRANCHISE TAX

Under the District of Columbia Income and Franchise Tax Act a franchise tax is imposed upon corporations and unincorporated businesses for the privilege of carrying on or engaging in any trade or business within the District and of receiving such other income as is derived from sources within the District. In the case of corporations and unincorporated businesses taxable income for the District franchise tax purposes means the amount of net income derived from sources within the District within the meaning of the act. Thus, where a corporation maintains an office, warehouse, or other place of business in the District or an officer, agent, or representative having an office or other place of business in the District and the corporation makes sales of personal property to District customers, the income from such sales is income from District of Columbia sources and taxable in the manner provided in the act.

As presently provided by the act a corporation is not considered to be engaged in trade or business, in respect to sales of personal property to District customers, and thus not liable to tax on income from such sales (with the exception of certain sales to the Federal Government as hereinafter described) if—

(*a*) It does not physically have or maintain an office, warehouse, or other place of business in the District, and has no officer, agent, or representative having an office or other place of business in the District during the taxable year; or

(*b*) It does not maintain an office or other place of business in the District and has no officer, agent, or representative in the District except for the sole purpose of doing business with the United States.

For the purposes of the exclusion of the statute provides that an independent broker engaged independently in regularly soliciting orders in the District for sellers and who holds himself out as such is not to be included within the meaning of the words "agent" or "representative." As to sales of personnel property to the Federal Government, however, the statute specifically provides that the income from such sales constitutes taxable income from District sources, whether or not the corporation or unincorporated business making the sales has a place of business or agents or representatives located in the District, unless the seller has its principal place of business located outside the District and the property sold is delivered from a place outside the district for use outside the District. As contained in this bill, the restatement of a portion of section 4(h) of title I will not in any way affect the taxability of income from those sales to the Federal Government which as stated, is presently subject to tax.

NEED FOR THE LEGISLATION

When originally enacted the definition of the words "trade or business", as contained in section 4 of the District of Columbia Income and Franchise Tax Act of 1947, was as follows:

(h) The words "trade or business" include the engaging in or carrying on of any trade, business, profession, vocation or calling or commercial activity in the District of Columbia; and include the performance of the functions of a public office * * *.

By the act of May 3, 1948 (62 Stat. 206, ch. 246) this definition of "trade or business" was amended by the addition of the presently existing proviso which excludes from the meaning of the words "trade or business";

"(1) Sales of tangible personal property whereby title to such property passes within or without the District, by a corporation or unincorporated business which does not physically have or maintain an office, warehouse, or other place of business in the District, and which has no officer, agent, or representative having an office or other place of business in the District, during the taxable year; or

"(2) Sales of tangible personal property by a corporation or unincorporated business which does not maintain an office or other place of business in the District and which has no office agent, or representative in the District except for the sole purpose of doing business with the United States, but such corporations and unincorporated businesses shall be subject to the licensing provisions in the title XIV of this article."

As stated in House Report No. 1792, 80th Congress, 2d session, accompanying S. 2409 which became the act of May 3, 1948:

"The purpose of the bill, as amended, is to clarify the language and intent in the District of Columbia Income and Franchise Tax Act of 1947, in order that the tax so provided be not imposed on corporations and unincorporated businesses which do not maintain places of business or representatives in the District of Columbia, or on such concerns which maintain places of business or representatives in the District for the sole purpose of doing business with the United States, *in respect to sales of tangible personal property* delivered outside the District for use outside the District." [Italic supplied.]

In the Senate report which accompanied the bill (S. Rept. 1042, 80th Cong., 2d sess.), the report stated:

"The purpose of the bill is to clarify and *limit the imposition of a tax upon the income of corporations or businesses which is 'derived from sources within the District of Columbia.'* Due to the language appearing in the existing District of Columbia income tax law, the imposition or assessment of the income tax was heretofore made against concerns casually engaged in business within the borders of the District of Columbia by such means as telephone, mail orders, traveling salesmen, and other nonconsistent means of solicitation. This bill will correct such situation, and limit the imposition of an income tax to those concerns casually engaged in business on their own account or through representatives or agents within the District of Columbia. [Italics supplied.]

In 1953, the District of Columbia was upheld by the U.S. Court of Appeals for the District of Columbia Circuit in imposing the franchise tax on a corporation which maintained an office in the District that "kept in contact with all kinds of developments either in the legislative or executive departments of the Federal Government which might affect [the] business in any way at all" but which sold its products in the District through salesmen who operated from offices in other cities. *Owen-Illinois Glass Company v. District of Columbia*, 92 U.S. App. D.C. 15, 204 F. 2d 29 (1953).

Little more than a year after the *Owens* decision, the Office of the Corporation Counsel for the District of Columbia issued on September 23, 1964, an opinion dealing with the "sole purpose" provision in the District of Columbia Income and Franchise Tax Act. This opinion recited in detail the activities within the District of one corporation other than matters relating to the sale of tangible personal property to the United States and construed the word "sole" to exclude such activties from the purview of the proviso. The opinion of the Corporation Counsel states:

"While the report, and the statute itself, do not explicitly indicate the meaning of the phrase 'doing business with the United States', it is clear that the primary concern was with sales of tangible personal property. The language plainly implies commercial intercourse between a corporation or unincorporated business on the one hand and the United States on the other."

Relying in part on the *Owens* decision and the opinion of the Corporation Counsel, the District of Columbia has levied franchise taxes against companies that claimed to be maintaining a sole purpose office in the District when representatives of the company in addition to engaging in activities clearly within the sole purpose concept also dealt with Federal agencies on matters relating to promotion and sales of the company products in foreign countries, for example.

The District would presumably interpret as being outside the permitted activities of a sole purpose office activities in the nature of communicating with, dealing with and attempting to present company views to instrumentalities of the U.S. Government activities concerned with problems of foreign subsidiaries and sales and exports abroad, activities involving the following of legislation affecting the company, and in various other ways, company interests.

This bill is designed to make it clear that such activities on the part of a corporation or unincorporated business are permitted as constituting activities, the "sole purpose" of which is "doing business with the United States" as provided in this restatement. Likewise, the definition of "trade or business" shall not apply to dealing with the District of Columbia or persons in the District for noncommercial purposes.

APPLICATION OF H.R. 8058

The pending bill, H.R. 8058, as recommended by your committee, is designed to clarify and provide greater specificity concerning the types of activities that may be performed by a "sole purpose" office located within the District of Columbia. The substance and purpose of section 1 of the bill remains the same as the similar provisions of the existing law.

Section 1 would change the existing language of paragraph (2) so as to exclude from the meaning of the words "trade or business"—

"(2) Sales of tangible personal property by a corporation or unincorporated business which (A) has or maintains an office, warehouse, or other place of business in the District; or (B) has an officer, agent, or representative having an office or other place of business in the District, during the taxable year for the sole purpose of dealing with the United States for commercial or noncommercial purposes or of dealing with the District or persons for noncommercial purposes; but each such corporation and unincorporated business which does business in the District with the United States shall be subject to the licensing provisions in title XIV of this article."

PROSPECTIVE EFFECT

As passed by the House, section 2 of this bill provides that the clarification of "sole purpose" as contained in section 1, should apply to the taxable years ending on or after the date of enactment and retroactively for the preceding 7 taxable years.

It is your committee's judgment that statutory relief retroactively for a 7-year period in cases such as this is inappropriate for two reasons. First, it is not desirable legislative practice, and second, the monetary impact on the District of Columbia government as to tax repayments is not readily or accurately ascertainable.

It is your committee's judgment that the statutory changes in the applicability of the

franchise tax be applied prospectively only. Because the committee's intent is clear as to the tax liability of a "sole purpose" office, it is directed that the District government not proceed administratively to enforce its interpretation of liability against other potential corporate taxpayers for the preceding years.

Therefore, the committee recommends amending of the House bill to remove the retroactive applicability and striking from section 2 the requirement for the refund or credit for payment or assessments relating to prior years.

CONCLUSION

Your committee believes that the amendment proposed in section 1 of the bill preserves the right granted to every person, including corporate bodies, for the opportunity to deal with their Government from and within the District of Columbia and particularly so when such persons or organizations find themselves present in the District solely because the District is the seat of the National Government. The assessing of taxes on an activity by a corporation, which activity is otherwise exempt, because such corporation engages in activities which are not themselves subject to tax, places the District of Columbia government in the position of taxing persons attending their own National Capital on matters which call them to the seat of the Government.

Your committee is of the opinion that this proposed legislation will clarify the tax position of business organizations regarding offices and representatives maintained in the District of Columbia for commercial and consultative purposes with the United States, and recommends that the bill as amended be approved.

THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that measures on the calendar be called in sequence commencing with Calendar No. 1524.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana? The Chair hears none, and it is so ordered.

VERNON M. NICHOLS

The bill (H.R. 14514) for the relief of Vernon M. Nichols was considered, ordered to a third reading, read the third time, and passed.

ROBERT DEAN WARD

The bill (H.R. 2349) for the relief of Robert Dean Ward was considered, ordered to a third reading, read the third time, and passed.

JOSEPHINE ANN BELLIZIA

The bill (H.R. 3671) for the relief of Josephine Ann Bellizia was considered, ordered to a third reading, read the third time, and passed.

JOHN F. REAGAN, JR.

The bill (H.R. 4075) for the relief of John F. Reagan, Jr., was considered, ordered to a third reading, read the third time, and passed.

LESSEES OF A CERTAIN TRACT OF LAND IN LOGTOWN, MISS.

The bill (H.R. 6305) for the relief of lessees of a certain tract of land in Logtown, Miss., was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1566), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of the proposed legislation is to authorize and direct the Administrator of the National Aeronautics and Space Administration, or his designee, to pay supplemental financial benefits to certain lessees affected by the National Aeronautics and Space Administration's land acquisition program at the Mississippi test facility.

STATEMENT

The facts and circumstances giving rise to these claims are set forth in the report of the National Aeronautics and Space Administration, wherein it states:

"The National Aeronautics and Space Administration, utilizing the U.S. Army Engineers as its agent, has been acquiring land in and near Hancock County, Miss., upon which to construct and operate the Mississippi test facility (MTF) for experimental work on the large rockets, rocket engines, and space vehicles needed for extended space flights and the launching of heavy spacecraft. The potential danger to individuals and structures anticipated in the prospective activities at MTF made it necessary to establish a buffer zone around the facility which would be clear of human habitation. Accordingly, the land acquisition program there has been a large one, and its impact on the community substantial. The facility itself required the acquisition of 162 separate tracts of land totaling 13,428 acres; the buffer zone consisted of 3,225 tracts totaling 125,442 acres. The lessees covered by S. 1509 feel that they are entitled to certain amounts not now allowable under present statutes governing payments for Federal land acquisitions. The peculiar circumstances involved, as reflected in NASA's files, are set forth below.

"The Army Engineers approached all landowners in the buffer zone and gave each the choice of selling the United States an easement prohibiting human habitation of the land, or, in the alternative, of selling the fee interest. One such tract was owned by Roy Baxter, Jr., and Margot Gack; it has been variously referred to as the 'Baxter Tract, Logtown Marina, and Pearl River Acres.' It lies at the western end of Main Street in Logtown, Miss. For some years the owners have leased some 30 parcels, comprising the major portion of this tract, to 30 groups of lessees for fishing camp sites. The lessees were permitted to construct cottages and other improvements, and most lessees did so. The value of the improvements ranged from a few hundred, to several thousand dollars. However, the leases, which vary somewhat from year to year and tenant to tenant, were on a year-to-year basis. In each case the lessor retained the right to terminate the lease at any time by giving 15 days' notice and refunding any unearned rental. In such contingencies the lessees were to have 30 days from the notice of termination to remove the buildings or other improvements they had placed on the land. There was no provision for the lessor to pay the lessees for improvements abandoned in place.

"It is understood that the termination provisions were included in each lease to permit the lessor to expel undesirable tenants on short notice but each tenant was assured that unless he proved undesirable he would be permitted to retain possession for as long as he wanted to remain. Lessees were thereby encouraged to improve the property by the erection of habitable structures.

"When Mr. Baxter and Miss Gack were given the choice of selling an easement or the fee, they elected to sell only an easement. The Engineers then attempted to negotiate with Mr. Baxter and Miss Gack for the property interests for all parties affected by the Baxter tract transaction, including various lessees. However, the lessors declined to combine negotiations for their interests with those for the interests of the lesses. Consequently, the Baxter-Gack owned improvements and the easement rights to the entire tract of land were appraised as one unit. The lessees' improvements were each separately appraised but no value was assigned to them because the 15-day termination provision effectively negated any value the otherwise remaining lease term may have had. The easement, which was eventually purchased from Mr. Baxter and Miss Gack, gave the Government rights to exclude any structure capable of human habitation from the tract and made the Government successor in interest to the landowner's rights and responsibilities under the leases. In efforts to develop a basis for compensating the lessees for the value of their properties, conferences were held between the Engineers, NASA, and the Department of Justice. It was concluded that there was no legal authority for compensating the lessees for their losses. Neither the Corps of Engineers nor NASA had authority to compensate them for the improvements which they would either have to abandon in place or remove, with resulting diminution of market value, upon the termination or expiration of their leases. That conclusion is largely attributable to the peculiar terms of the leases and is in part attributable to the landowner's disinclination to negotiate for such property interests as the lessees may have had.

"NASA has had throughout the period of time in question, and now, has funds which would be avaliable to compensate the lessees, if adequate legal authority were also available. This legislation would provide the necessary authority to compensate the stated lessees for (1) the fair market value, as determined by NASA, of existing improvements, which have been abandoned in place upon vacation of the leaseholds because of the acquisition of the easement by NASA, provided that the lessees quitclaim all their right, title, and interest to such improvements to the United States; or (2) the fair market value less salvage value, as determined by NASA, for improvements which have been removed or sold upon vacation of the leaseholds because of the acquisition of the easement."

The NASA report concluded as follows:

"The bill is similar in form to legislation which from time to time is proposed for the relief of individuals whose land or interests in land are affected by other land acquisition programs of the Corps of Engineers.

"Clearly, the lessees have suffered financial losses through the loss of the improvements for which they had paid. If they had chosen to remove their improvements they probably would not have recovered their investments and would have had to bear the additional costs and inconvenience of salvage. They are in fact out-of-pocket in the amount of their investments."

The National Aeronautics and Space Administration has "no objection" to the enactment of this legislation.

The committee has carefully considered the facts and circumstances involved in these claims, as well as the equitable considerations related thereto, and on the basis thereof finds that the proposed legislative relief is

justified. Accordingly, the committee recommends that the bill, H.R. 6305, be considered favorably.

LI TSU (NAKO) CHEN

The bill (H.R. 6606) for the relief of Li Tsu (Nako) Chen was considered, ordered to a third reading, read the third time, and passed.

RONALD WHELAN

The bill (H.R. 7141) for the relief of Ronald Whelan was considered, ordered to a third reading, read the third time, and passed.

CERTAIN CIVILIAN EMPLOYEES AND FORMER CIVILIAN EMPLOYEES OF THE DEPARTMENT OF THE NAVY AT NORFOLK NAVAL SHIPYARD, VA.

The bill (H.R. 7446) for the relief of certain civilian employees and former civilian employees of the Department of the Navy at the Norfolk Naval Shipyard, Portsmouth, Va., was considered, ordered to a third reading, read the third time, and passed.

SOPHIA SOLIWODA

The bill (H.R. 7671) for the relief of Sophia Soliwoda was considered, ordered to a third reading, read the third time, and passed.

KIMBERLY ANN YANG

The bill (H.R. 10656) for the relief of Kimberly Ann Yang was considered, ordered to a third reading, read the third time, and passed.

MAJ. ALAN DE YOUNG, U.S. ARMY

The bill (H.R. 10990) for the relief of Maj. Alan DeYoung, U.S. Army, was considered, ordered to a third reading, read the third time, and passed.

MRS. EDNA S. BETTENDORF

The bill (H.R. 11038) for the relief of Mrs. Edna S. Bettendorf was considered, ordered to a third reading, read the third time, and passed.

HUBERT J. KUPPER

The bill (H.R. 11251) for the relief of Hubert J. Kupper was considered, ordered to a third reading, read the third time, and passed.

CERTAIN INDIVIDUALS EMPLOYED BY THE DEPARTMENT OF DEFENSE AT THE GRANITE CITY DEFENSE DEPOT, GRANITE CITY, ILL.

The bill (H.R. 11271) for the relief of certain individuals employed by the Department of Defense at the Granite City Defense Depot, Granite City, Ill., was considered, ordered to a third reading, read the third time, and passed.

MARIA ANNA PIOTROWSKI

The bill (H.R. 11347) for the relief of Maria Anna Piotrowski, formerly Czeslawa Marek, was considered, ordered to a third reading, read the third time, and passed.

MARIA GIUSEPPINA INNALFO FEOLE

The bill (H.R. 11844) for the relief of Maria Giuseppina Innalfo Feole was considered, ordered to a third reading, read the third time, and passed.

KAZIMIERZ (CASIMER) KRZYKOWSKI

The bill (H.R. 12950) for the relief of Kazimierz (Casimer) Krzykowski was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, that concludes the call of the calendar. I express my thanks to the minority side for allowing these measures to be passed on the last day before the Labor Day recess.

DISTRICT OF COLUMBIA MOTOR VEHICLE UNSATISFIED JUDGMENT ACT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the unfinished business be laid before the Senate.

The PRESIDING OFFICER. The bill will be stated by title.

The ASSISTANT LEGISLATIVE CLERK. A bill (H.R. 9918) to amend the Fire and Casualty Act and the Motor Vehicle Safety Responsibility Act of the District of Columbia.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

There being no objection, the Senate resumed the consideration of the bill.

Mr. DOMINICK. Mr. President, I had an opportunity yesterday to listen to the opening statement by my good friend and colleague, the Senator from Maryland [Mr. TYDINGS].

I do not want to go into this at any great length while so few Senators are present. However, I should think it would be pertinent to make a couple of comments on some of the things which the Senator from Maryland brought up yesterday.

The Senator, with his usual sense of the dramatic and with his fine ability, initiated his discussion by pointing out a number of incidents in which people had been severely injured in Washington by uninsured motorists.

One of the incidents that he mentioned involved an uninsured motorist who ran through a red light and struck a husband and wife who were traveling through the intersection in their automobile. Both victims are still out of work because of their injuries.

I could not be more sorry for this. I think this is an unfortunate situation. However, the fact of the matter is that if we pass the pending bill, these people will still have no method of getting anything from the uninsured motorist. If they had paid $40 into the fund they would have forfeited, as uninsured motorist, any right to collect from the fund. Only a very limited group of people can collect from the fund. They would only have collected by virtue of their having bought an insurance policy with an uninsured motorist rider. I would emphasize that this rider can be purchased now and could have been purchased by the couple prior to their accident. The money they presumably would have collected could only have come from their own insurance company.

The pending bill would protect pedestrians. It might protect—although there is some doubt on this—passengers in automobiles which are struck by uninsured motorists. The bill would not protect anybody driving in the District who is involved in an accident unless he is a resident of the District. Therefore, if one comes from Virginia or Maryland or Colorado or anywhere else and gets involved in an accident with an uninsured motorist, the pending bill would not do him the slightest bit of good whether he is a pedestrian or not.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. DOMINICK. I yield.

Mr. TYDINGS. Mr. President, the cost of the bill will be borne entirely by the registrants of automobiles within the District of Columbia who pay the $40 fee as a penalty for not having automobile insurance. Is that not a fact?

Mr. DOMINICK. The Senator is correct.

Mr. TYDINGS. Does the Senator not think, since the administration of the program will not cost the taxpayers one penny—the bill being footed, so to speak, by the citizens of the District of Columbia—that the citizens of the District of Columbia are the ones who should receive the benefit from it?

Mr. DOMINICK. That is a good question. I could go off on a speech for a couple of hours on this matter. That is a point which I think needs to be debated. We should certainly debate the whole concept of reciprocity as it relates to this bill.

One thing that I do not think is a particularly good idea is the fact that anybody who comes to this great national city as a tourist would be an open target for the uninsured motorist. He would have no protection under the pending bill at all.

It seems to me that this is a unique type of situation that we are asked to pass on.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. DOMINICK. I shall yield in a few minutes. I would say that perhaps the way this question was presented to me yesterday by the Senator from Georgia [Mr. TALMADGE] is an interesting observation.

He said:

This is a bill where those people who are behaving themselves and carrying their own insurance are paying for the torts of the person who has committed the wrong. Is this accurate?

I said:

I think that with perhaps some variation it is accurate.

Because what we are doing is not really setting up an insurance fund. We are simply setting up a judgment fund which is paid for by those who really should be getting insurance and are not getting insurance, and who probably will be paying a $40 fee, thinking that they are getting insurance.

Yesterday, the Senator from Maryland made a statement in the Senate that, if any member of my family had been injured in an accident in which an uninsured motorist was involved, I would probably feel differently. This is not the usual type of debate in which Senators engage. But since the Senator has brought it up, I think that, for the RECORD, I should say that my wife has been hit by an uninsured motorist in the past, she is still experiencing difficulties from the accident, and this I do not like any better than anybody else does. But simply because we have experienced one of these problems does not mean that a bad bill should be passed.

I feel the same way about other legislation. If we are going to pass legislation, let us examine it on the merits before we go rushing it through the Senate.

I want to make this point crystal clear for the RECORD: There has been a considerable amount of publicity on this bill, on the theory that anyone who is injured by an uninsured motorist will now have a method of getting compensation. Nothing could be farther from the truth. One gets no compensation from any portion of this bill if he is an uninsured motorist or a nonresident of the District. I have never heard whether a wife or child whose husband or father is an uninsured motorist can collect from the fund.

I was also interested in the statement of the Senator from Maryland yesterday, in the RECORD, that there were 27,000 motor vehicle accidents in the District last year, injuring 7,800 people. Twelve thousand of these accidents involved uninsured motorists. As a result, between 900 and 1,200 of the accident victims remained uncompensated for their injuries.

I have no quarrel with the figures of the Senator from Maryland. I do not have any record to indicate that they are 100-percent accurate, but I assume that they are. The feature that interests me is whether these people—these 900 to 1,200 accident victims—would have any remedy in the event that this bill is passed. It is not broken down as to whether these people were pedestrians, insured or uninsured.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. DOMINICK. I yield.

Mr. TYDINGS. Is it not a fact that under H.R. 9918, every policy of liability insurance which is issued to an owner of an automobile registered in the District of Columbia would have to include a so-called uninsured motorist clause, which would cost the motorist an additional $4 to $8, but would protect that motorist and his family, or any passenger in his car, in the event that he or his car or his family were struck by an uninsured motorist in the District, or in any other jurisdiction?

Mr. DOMINICK. In answer to the Senator's question, the answer is "Yes," that is true. It is also true that they can get that coverage at the present time, without passage of any bill.

Mr. TYDINGS. As a matter of fact, as was brought out in our hearings, the majority of our drivers do not know that they have that opportunity. These 12 people about whom the Senator has spoken would have had to have such an uninsured motorist clause in their insurance to have been protected. The Senator, himself, had he had such a clause in his insurance policy, would have been protected in the very tragic occurrence he has related involving a member of his family, and the damages would have been paid.

Mr. DOMINICK. The Senator is correct. I did not have that coverage. But I can assure the Senator that I have been in touch with my insurance broker since then. And I would hope that this colloquy would result in many people who do not have that coverage having it put in their policy, at a very small expense. But it should be voluntary on the part of the person to do this or not to do it.

Whether a person is to have uninsured motorist coverage in his liability insurance or not, it seems to me, is a matter of personal prerogative of the individual, as opposed to a governmental edict that a person must purchase this added protection.

I was also interested in another statement that the Senator from Maryland made very frankly yesterday, which appears at page 21485 of the RECORD:

> The legislative fact is that we must pass the bill as the House passed it without amendments, if we are to have any type of decent financial responsibility legislation to protect the citizens of the District of Columbia, because if we were to amend it and send it back to the House, the conference committee would be controlled by Representatives who, without question, would see to it that the bill was killed.

I think that it is a curious situation, when a Member of the Senate rises and says that because the House has such overwhelming power, the Senate cannot amend legislation to make it good, bad, or otherwise. To say that even if the legislation is bad, we must take it the way the House says, because, otherwise, the whole bill might be killed, is in my judgment improper. I think that is the wrong way to legislate. I think we should consider what changes need be made in a bill, I think we should do it with reason and with judgment, and I think we should do it regardless of whether this will be favorably received by the House or whether it will not be favorably received by the House.

We have our own responsibilities in the Senate, and one of these, of course, just as in the House, is to attempt to act as responsible citizens with respect to the jurisdiction and the government of the District of Columbia, our Nation's Capital; and I see no reason why one body should be continually saying to the other body, "Either you pass it this way, or you get no bill at all."

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. DOMINICK. Proceeding with what the Senator from Maryland said:

> I can assure any Senator who has a meritorious amendment—and there may be some—a full hearing, and an opportunity to add such amendments to the financial responsibility law next year.

Not this year. Even if one has a meritorious amendment, do not put it on this year. Wait until next year.

I cannot legislate that way, Mr. President. I cannot go forward with that type of approach.

I could point out—and I would be happy to point out at some later date—some discrepancies in the bill, technical discrepancies, which should be cured at this time, whether one agrees with the bill or not.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. DOMINICK. I yield.

(At this point, Mr. BYRD of Virginia assumed the chair.)

Mr. TYDINGS. Mr. President, I wish to make two points.

First. The bill, if enacted into law, would not go into effect insofar as the payments from the fund are concerned, until 1 year after the establishment of the fund, so we have time to amend the bill, if we wish to.

Second. I will go one step further. I will hold hearings on amendments to the bill beginning next week, provided we can get this bill passed and enacted into law. If there is a meritorious amendment, I shall do my best to report it this year before Congress adjourns.

Mr. DOMINICK. It would seem to me that the duplication of effort described by the Senator from Maryland is hardly necessary, with the expense to the taxpayers which is involved, and the problems that would arise from the passage of the bill immediately.

I am happy that the Senator pointed out the fact that the judgment fund will not go into effect for a year.

Would it go into effect a year from January? I have forgotten.

Mr. TYDINGS. It would be a year from the date it is set up.

Mr. DOMINICK. Whatever it is, it is a year off. This means, I assume, that the citizens walking down the street struck by an uninsured motorist have no method of collecting a judgment against the other person for a year in any event. It looks as if there will be open season for a year. I hope that I am wrong on that.

Mr. TYDINGS. The purpose of the 1-year provision is to build up within the fund sufficient assets to guarantee solvency of the fund to pay the claims. Some States which set up similar funds have waited as long as 5 years before starting to pay claims, in order to build up the fund.

Mr. DOMINICK. I understand particularly the difficulty that Maryland is having with its uninsured motorist fund. In fact, I understand it is almost bankrupt at the present time. That was the evidence that I heard in the hearings.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. DOMINICK. I am happy to yield.

Mr. TYDINGS. As a matter of fact, to begin with, the Maryland fund is not bankrupt.

Mr. DOMINICK. I am happy to hear it.

Mr. TYDINGS. Nor is it in financial difficulty. In fact, at the conclusion of the last fiscal year in 1966 the fund had an excess of $515,000 in receipts over disbursements.

From time to time there have been criticisms of the so-called Maryland "paper deficit." This deficit occurs from the earmarking of dollars for claims in future years. This appears on the fund's books as a paper deficit, but it has nothing to do with the cash in the fund. It is merely a way of indicating possible claims against the fund. It appears on a balance sheet, similar to balance sheets that some insurance companies set up.

It is wrong to suggest that the fund will actually have to pay out all the amounts of money set up in the estimate, because fund experience has shown that the amount set aside in the reserve has always been substantially more than the amount actually paid out in claims.

Mr. DOMINICK. This is an interesting explanation. I have no reason to doubt it, other than the information we had, which I refer to at page 19 of the committee report, which states:

> We have recently been informed that New Jersey has a $12 million deficit while Maryland experiences a $4 million deficit.

All I can say is that these are two conflicting viewpoints as to which fund is or is not in trouble.

Mr. TYDINGS. The basic difference is that in creating the Maryland fund and the New Jersey fund the State legislatures did not have the good judgment to do as Virginia did and we have done in this bill and require that every motorist who has insurance pay $4 to $8 extra to purchase the uninsured motorist clause. That difference amounts to many millions of dollars less in claims against a fund.

This bill was drafted to make judicious use of the wisdom of the Virginia Legislature. We provided in the District fund law for the inclusion of the uninsured motorist clause in all insurance policies issued on cars registered in the District. Therefore, without question, the District fund will be far superior in solvency and fiscal management than the Maryland or New Jersey funds.

As a matter of fact, when we had the director of the Maryland fund before our subcommittee, and he was asked about this point, he said that, without question, if Maryland required an uninsured motorist clause as Virginia does, Maryland would have a tremendous surplus in its fund and would not have the problem of so-called paper deficits. The Maryland fund does have that basic difference with the District of Columbia fund.

Mr. DOMINICK. To protect the Senator from Maryland, I am considering that he was asking me a question instead of making another speech on the same subject, as he did yesterday. I shall consider that as a question instead of a speech.

We have been doing a little checking on the compulsory uninsured motorist proposal that is included in the proposed District of Columbia bill. There are only five States which have no right of rejection of the uninsured motorist clause. The States which have no right of rejection clause are New Hampshire, New York, Oregon, South Carolina, and Virginia. The others give the insured person the right of rejection, which is what I had asked the Senator from Maryland to include in the process of our consideration of this bill in committee. I was unable to get him to agree to this amendment and of course I shall offer the amendment on the floor of the Senate.

I think that we can also cite our experience in Colorado, although it is based on only a very short period of time. In Colorado we had a provision in the law which went into effect in July—and, therefore, I say it is a very short experience—which provided that a motorist does get uninsured motorist coverage when he buys insurance unless he exercises his right to reject it. It does give the insured person the right of choice.

I cannot for the life of me see any reason why the Government should take unto itself the responsibility of telling a person what type insurance he or she should buy. Once a person has acted responsibly by buying liability insurance to protect the public, he should be permitted to decide voluntarily what additional coverage he may desire.

That is the provision that I tried to provide for: To give the person the right of rejection on the uninsured motorist rider. I was going to provide the right of rejection in this law, and that was defeated in committee. Experience indicates that 1 to 2 percent of the people who have been offered uninsured motorist coverage have rejected it, so that the great volume of people who have been buying policies have been accepting this uninsured motorist clause.

I suspect, as this colloquy goes on, and the publicity goes out on the type of coverage that is available to motorists, more and more of them will purchase it. I can see no reason why they should not. There may be some people who do not.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. DOMINICK. I am happy to yield for a question.

Mr. TYDINGS. With respect to the fact that we would require the uninsured motorist clause in all policies of automobile insurance issued in the District of Columbia, would the Senator agree that this requirement provides insurance which they would not otherwise have for those insured individuals in case they were struck by an uninsured motorist?

Mr. DOMINICK. Yes. certainly.

Mr. TYDINGS. Would the Senator agree that insofar as the solvency of the fund is concerned, according to the statistical and actuarial tables, and the other evidence given to us in the subcommittee, that the solvency of the fund is assured by the fact that all insured motorists have that additional protection?

Mr. DOMINICK. I do not know if I agree with that at all because it does not seem to me that we have any proof one way or another.

First of all, we do not have a fund set up as yet. Second, it would seem to me that if this were going to be the determining factor, as to whether a fund was going to be in balance or not in balance, Maryland itself would have passed this kind of provision—which it has not done, as I understand. Instead, it has gone to the General Assembly for appropriations. I do not know whether it obtained them, but it was there, anyhow.

In that connection, I hold in my hand an article published in the Washington Evening Star for January 30, 1965, written by James B. Rowland and entitled "Uninsured Car Fund Facing Bankruptcy."

It reads, in part:

> Maryland's Unsatisfied Claim and Judgment Fund, now faced with a $3.7 million deficit, will be bankrupt by next September unless it gets additional money from the General Assembly.
>
> The bleak fiscal picture for Maryland motorists was outlined yesterday by John H. Calhoun, manager of the fund, in testimony to the State Senate's Judicial Proceedings Committee.
>
> "We are processing more than 4,000 claims for which we eventually will have to pay about $5 million," Calhoun said.
>
> Created by the legislature in 1957, the fund collects $70 annually from car owners without adequate auto insurance. Firms writing auto insurance in Maryland contribute one-half of 1 percent of the premiums they write.

We do not have that in our present law, I might add—

> This money, in turn, is paid to motorists involved in accidents with uninsured drivers.

We do not have that, either.

I suspect that if the fund is going to be fiscally sound, it is because we will have restricted it to this very small group of people who can make any claim against the fund: It seems to me that we are not really in exactly the same liability position so far as that fund is concerned, as is Maryland.

This is the reason—among others—why I could not necessarily agree with the Senator from Maryland on the last question he asked.

Mr. President, I ask unanimous consent to have the article to which I have just referred printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington (D.C.) Star, Jan. 30, 1965]

UNINSURED CAR FUND FACING BANKRUPTCY—MARYLAND UNIT REPORTS DEFICIT OF $3.7 MILLION

(By James B. Rowland)

ANNAPOLIS.—Maryland's Unsatisfied Claim and Judgment Fund, now faced with a $3.7 million deficit, will be bankrupt by next September unless it gets additional money from the General Assembly.

The bleak fiscal picture for Maryland motorists was outlined yesterday by John H. Calhoun, manager of the fund, in testimony to the State Senate's Judicial Proceedings Committee.

"We are processing more than 4,000 claims for which we eventually will have to pay about $5 million," Calhoun said.

Created by the legislature in 1957, the fund collects $70 annually from car owners without adequate auto insurance. Firms writing auto insurance in Maryland contribute one-half of 1 percent of the premiums they write. This money, in turn, is paid to motorists involved in accidents with uninsured drivers.

MORE FUNDS NEEDED

"By September we will not be able to pay any more claims unless there is some way to get more money into the fund," Calhoun said.

State Sen. Frederick C. Malkus Jr., D-Dorchester, and committee chairman, observed that "Insurance is the biggest problem facing the state today."

More than a dozen insurance bills have been introduced here during the first 10 days of this annual 70-day meeting of the legislature.

Calhoun said there were not enough teeth in a bill giving Marylanders the option of buying uninsured motorist coverage for protection within the state. Such policies can now be bought for protection outside Maryland. Calhoun said the bill should be amended to make the coverage mandatory with the state.

WOULD COST $4 TO $5

This added coverage would cost Marylanders an addition $4 or $5 a year, according to testimony. Accident claims against uninsured motorists would be filed with the insurance company rather than fund officials.

Uninsured motorist coverage is available in 14 states, and mandatory in five—Virginia, New Jersey, Louisiana, Oregon and New Hampshire.

"If it were mandatory in Maryland, it would relieve claims against UCJF by about 75 percent," Calhoun said.

James J. Doyle Jr., representing the National Association of Independent Insurers, said if the law were not mandatory, most car owners would take their chances on filing claims against the fund rather than paying another $4 or $5 on their auto insurance policies.

THE PROBLEMS OF OUR CITIES

Mr. JAVITS. Mr. President, I should like to discuss in the Senate, in a rather deliberate way, the subject of the problems of our cities since I am a member of the Subcommittee on Executive Reorganization of the Committee on Government Operations which, under the chairmanship of the Senator from Connecticut [Mr. RIBICOFF] has been considering the problems of the cities. The committee today concluded its first 3 weeks of hearings on this subject. It heard Cabinet officers, municipal officials, including mayors, and other experts in this field in the 3 weeks, in that order.

At the conclusion of the hearings today, the chairman of the committee, the Senator from Connecticut [Mr. RIBICOFF], made a statement in which he laid a great deal of responsibility for the inadequacy of aid moving into the cities upon the Bureau of the Budget.

Mr. President, I did not have an opportunity to attend the committee session, because of being heavily involved in the conference on minimum wages which is now going on and of which I am a conferee, as a ranking minority member on the Committee on Labor and Public Welfare and the Committee on Constitutional Rights which is considering the civil rights bill this morning; so that actually I was not in the committee session—I got there just a minute after it had adjourned.

But a statement which I proposed to make there I now make on the floor of the Senate because I believe that while we have been talking about the problems of the cities, we have failed to note the tremendous failure of Congress to back up even the laws which it has enacted which could help the cities.

I do not believe it is fair, just, or productive to lay the lash of criticism across the backs of the representatives of the administration, capped by an attack upon the Bureau of the Budget this morning, without saying a word about the responsibility of Congress.

We have heard a great deal of talk in terms of need—and received some extraordinary estimates on what the needs of the urban areas will be in 1970 or 1980 but I think some of our effort ought to be directed toward what we can do now—in 1966.

Therefore, Mr. President, it is my duty today to point out that while I associate myself with the certain deserved criticism of the administration and of some of the mayors, I do not avoid my eyes, or keep quiet about Congress which has a great responsibility, and on which it has fallen down in this matter. So that I should like to state what I think Congress can do and what I think Congress has not done in connection with our cities. In order to complete the record, I will also have this statement included in the hearings of the committee.

First. I would associate myself with the remarks of several of my colleagues in urging the establishment of a Congressional Committee on Urban Affairs. After all we have a Committee on Agriculture and Forestry which wields great power for the rural areas. The city dweller deserves at least an equal hearing.

Second. There are the critical programs which affect the cities.

Here are some of them together with Congress actions:

Rent supplements: The 1966 supplemental appropriation bill only gave $12 million, although the President requested $30 million. The 1967 appropriation is only for $20 million although $35 million was asked for.

Demonstration cities: Instead of $2.9 billion the Senate passed a $900 million bill and the House is likely to follow.

Neighborhood facilities: Although the budget estimate was for $25 million the Congress only appropriated $17 million for this program which would encourage many persons to come together to meet and discuss their problems rather than to roam the streets.

Teacher Corps: For fiscal 1967 the law authorizes over $64 million. The administration requested more than $31 million which contemplated 3,000 NTC teachers in the field and 750 in training by the end of the year. The House did not include any funds in the Labor-HEW appropriation which passed the House back on May 5—almost 4 months ago and which has still not been acted on in the Senate. The delay threatens to force most of the already trained teachers, 1,600, to find jobs elsewhere.

Elementary and Secondary Education Act: Covers not only programs for poverty-related children but also funds for school integration. Presently held up in the House and awaits full committee action in the Senate.

Hospital modernization: After 1 day of hearings last April, the administration's program was considered dead. Yet this is one of the critical needs of the cities. New York City alone needs $705 million for this purpose.

Congress has not yet this year enacted a single health bill. Other bills requested by the President not acted upon are: First, develop comprehensive health planning and services on the State and community level; second, training of allied health professions.

Poverty: The $1.5 billion appropriated last year—ignoring an additional $250 million which had been authorized—severely pinched a number of good community action and neighborhood youth corps projects undoubtedly contributing to the situation in many cities where rioting and disorders later occurred. This year there are no appropriations for fiscal year 1967 and many programs have been brought to a halt due to no assurance of funding even during this long, hot summer.

Narcotics: The House-passed bill calling for civil committment for narcotics addicts did not contain a cent for the building of any facilities for treatment. The Senate has failed to act at all.

Employment services: The Senate passed proposal for revamping the Federal-State employment service programs but the House is seemingly allowing the bill to die.

At the same time I think we have become aware of the importance of trying to figure out the best way to allocate the funds which we are presently spending. Agencies must make greater efforts to keep meaningful statistics and setting out where its funds are being expended and evaluating results. I have made an effort to disect some of the budgetary figures which are so often thrown at us to show what is being done and have found some rather revealing facts.

The budget figures for example for urban renewal for fiscal 1967 show the figure to be $725 million. Yet in looking behind the amount I find that certain new programs such as demolition grants, code enforcement are funded out of the urban renewal moneys. This was necessary, I am informed, in order to get the Congress to adopt these very important programs. When these various program commitments are subtracted only $574 million is available for urban renewal projects. Even more significant is the $50 million contained in the 1965 Housing Act for special exceptions for noncash credits for public facilities in individual cities which comes out of urban renewal moneys.

The 1966 housing bill in the Senate contains $190 million for various facilities not considered part of the traditional urban renewal programs. Yet it will come out of urban renewal money. It seems then that we cannot even afford to presume the validity of the figures which are printed on the budget pages.

Of the $725 million allocated to urban renewal perhaps only $450 million is actually available for projects.

A further look to find how much is spent on relocation which has long been the Achilles heel of urban renewal—ends up in a figure which is lumped together with expenditures for rehabilitation grants. How much of the total of $57.5 million is for which program is left to conjecture. Perhaps even worse is the fact that in some areas no figures at all are kept on the number of applications so as to better coordinate demand with supply.

There are certainly other aspects of the problems which I have not mentioned today—and which the subcommittee has not yet gone into. I am hopeful that we shall hear more in the future from the private sector, educators, and labor.

Mr. President, these are the facts, not theories, and they show the grave situation confronting Congress.

I think I have given enough facts today to show what I maintain, namely, that we cannot have a balanced understanding of what is happening to the cities and we cannot lay the lash of blame across the administration and municipal officials alone. They have their defects, shortcomings, and derelictions, but so do we in the Congress, as I have outlined; and if we really intend to help the cities, which I think we must do, and with which I think most of us agree, then we must act on measures which have not been acted on or which have not been acted on adequately.

Now, if the Senator from Colorado will yield for another subject, I would appreciate it. I am trying to do all this because I have been trying to do the business of the Senate, so much of which is done in conference.

Mr. DOMINICK. Of course. I know the Senator is trying to serve our interests in the minimum wage legislation at the present time.

JOINT ECONOMIC COMMITTEE REFUSES TO HOLD IMMEDIATE HEARINGS ON PRESENT STATE OF ECONOMY

Mr. JAVITS. Mr. President, the minority members of the Joint Economic Committee have been refused their request by the majority to hold hearings on the present economic situation of the country. We did not seek any publicity about this demand, which I consider to be extremely serious and important, because we did not wish in any way to prejudice the action of the majority with respect to the request of the minority.

I have before me a letter from Chairman WRIGHT PATMAN of the Joint Economic Committee, turning down our request for hearings.

I ask unanimous consent that a telegram sent to Chairman PATMAN on this subject by the committee's Republican members be printed in the RECORD, but first I should like to read from it briefly:

We also urge that the committee call upon the President to submit to the Congress a supplement to the 1966 Economic Report, as provided for under the Employment Act, including revised economic recommendations which he feels may be necessary or desirable at this time.

We proposed that the Joint Economic Committee hold immediate hearings on the state of the economy and the policies required to deal with it.

I ask unanimous consent that the telegram, together with Chairman PATMAN's letter, in which our request is turned down by the majority of the committee, be included in the RECORD at this point.

There being no objection, the telegram and the letter were ordered to be printed in the RECORD, as follows:

Hon. WRIGHT PATMAN,
Chairman, Joint Economic Committee,
House Office Building,
Washington, D.C.:

We propose that pursuant to its responsibilities under the Employment Act of 1946 the Joint Economic Committee hold immediate hearings on the state of the economy and the policies required to deal with it. We also urge that the committee call upon the President to submit to the Congress a supplement to the 1966 Economic Report, as provided for under the Employment Act, including revised economic recommendations which he feels may be necessary or desirable at this time.

The administration has tried and failed to walk a fine line between avoiding inflation and promoting high employment with the result that it may achieve neither. A new policy approach is clearly required. An inflationary psychology is rapidly spreading throughout the economy. It is reflected in the wage demands of organized labor, excessively high interest rates, rapidly rising prices and a confused and badly battered stock market. This inflation, if permitted to continue and gather momentum, could cause a serious recession which would greatly aggravate the already profound social unrest that confronts our society.

Continuing failure to act could cause a national economic and social crisis which would set back the advances made by our people over the past decades of progress. We deplore the reluctance of the administration and the Congress alike to face up to the issues and meet their responsibilities to the American public.

We would fully support objective and nonpartisan hearings with the purpose of providing guidance to the administration and the Congress and restoring the confidence of all segments of the American people in the administration's fiscal and monetary policies.

JACOB K. JAVITS,
Senator.
JACK MILLER,
Senator.
LEN B. JORDAN,
Senator.
THOMAS B. CURTIS,
Representative.
WILLIAM B. WIDNALL,
Representative.
ROBERT F. ELLSWORTH,
Representative.

CONGRESS OF THE UNITED STATES,
JOINT ECONOMIC COMMITTEE,
August 31, 1966.

Hon. JACOB K. JAVITS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR: After thorough study of the issues raised in your telegram of August 24, the Majority concludes that this is not the time for the Joint Economic Committee to be holding hearings on the state of the economy. This Committee held hearings and made recommendations to deal with the economic situation early in the year. At the present stage of the Congressional session, the problem is not one of investigation but of action. Hence, the matter should be and is before the legislative committees which can take action—obviously the Joint Economic Committee cannot draft and report bills.

We believe that the leadership and the appropriate committees of both Houses should take action to bring before the Congress proposed legislation to effectuate the recommendations made last March by this Committee in order that the objectives of the employment Act may be more fully achieved: maximum employment, rapid economic growth, and a stable general level of prices.

Under the circumstances, our energies should be directed to the work of the legislative committees, for hearings by the Joint Economic Committee would be more likely to delay rather than to expedite action at this late stage in the legislative session.

With best wishes,
Sincerely,

WRIGHT PATMAN,
Chairman.

Mr. JAVITS. Mr. President, the letter in part reads as follows:

We—

That is, the majority—

believe that the leadership and the appropriate committees of both Houses should take action to bring before the Congress proposed legislation to effectuate the recommendations made last March by this committee in order that the objectives of the Employment Act may be more fully achieved * * *.

Under the circumstances, our energies should be directed to the work of the legislative committees, for hearings by the Joint Economic Committee would be more likely to delay rather than to expedite action at this late stage in the legislative session.

We of the minority thoroughly disagree. We think the action of the majority members of the Joint Economic Committee in refusing to hold immediate hearings on the present state of the economy is one more example of how the administration and its majority forces in Congress are playing hide and seek with the inflation issue.

We wanted nonpartisan hearings for the purpose of guiding the administration and the Congress and restoring the confidence of all segments of the American people in the administration's fiscal and monetary policies.

It is all too plain that there is a certain amount of needling with respect to a tax increase to finance the Vietnam war. A temporary, across-the-board tax increase, of somewhere between $5 and $10 billion is necessary. It is absolutely essential to the economic health of this country and to finance the rising costs of the Vietnam war. We of the minority recommended in March 1966 that the current economic situation requires fiscal as well as monetary restraint. There is no substitute for it. There is a money panic as well as an interest-rate panic. It is appalling that the administration is not willing to face the music at the present time, but is willing to wait until even more drastic action is necessary.

Since the administration was only too willing to take full credit and responsibility for the beneficial effects of the tax cut in 1964, it must now understand that it must accept blame and responsibility

for any damage done to our economy by its policy of indecision and delay until after the elections.

This policy is all too plainly illustrated in the unofficial leaks, the unofficial comments of high Treasury officials and the trial balloons floated on the front pages of our newspapers almost daily—every day some new suggestion is made, some new scheme, apparently in the hope that public relations devices can somehow keep our economy afloat until the last poll closes on November 8.

In the reply to the Republican request for hearings received this morning, the majority says that this is not the time for study, but for action. I agree. But action on what? The administration has given Congress nothing to act on that would in any way effectively deal with the inflation that exists today.

The majority said that this action should take place in other committees, committees with legislative responsibility. This begs the question, because these committees do not have before them any administration-sponsored legislation that can effectively deal with the current situation.

The majority said that this is the time for the Congress to act on recommendations made by the Joint Economic Committee in March. But the remedies proposed by the committee in March are no longer sufficient to meet the current grave situation.

I am deeply regretful that the Joint Economic Committee refused the request of the minority. The intention was to hold those hearings in a nonpartisan way. I believe the country would be better served by holding those hearings.

With or without the hearings, inflation is the greatest domestic issue. The country is scared.

That issue ranks with the Vietnam war as the No. 1 issue. It is going to be the issue in this election. With all due respect, I think it would be better for the administration to face up to the issue rather than to avoid it. It is the view of the minority that it would improve the situation to have hearings.

Whether the Johnson administration or the committee's Democrats want to admit it or not, we are in the midst of a serious inflation which the administration must deal with now. Every day of delay only aggravates the situation and ultimately will require stronger fiscal remedies.

Under Secretary of the Treasury Joseph Barr's testimony before a House committee suggests that, after months of indecision and delay, the administration may be willing to admit what has been evident for months to many—that it cannot avoid a tax increase and continue to rely on monetary policy to contain inflation.

The administration has tried and failed to walk a fine line between avoiding inflation and promoting high employment, with the result that it may achieve neither. A new policy approach is clearly required. There is every evidence that an inflationary psychology is rapidly spreading through the economy, and, indeed, that our inflation is becoming as bad as that in Europe in its days of inflation.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. MORSE. I not only wish to associate myself with the remarks that the Senator from New York is making, but I wish to say that the administration cannot continue to permit runaway wages and runaway prices, and hope to stem the inflationary tornado.

Mr. JAVITS. I am very grateful to my friend the Senator from Oregon, who "fought and bled"—in that tremendous battle in respect to the airline wage negotiations and strike.

We see the inflationary psychology reflected in the wage demands of organized labor, in excessively high interest rates, in really rapidly rising prices, and in a confused and badly battered stock market. If permitted to continue and to gain momentum, this inflation will cause a serious recession, which can greatly damage the hard-won gains of all our people, including labor, and greatly aggravate the already profound social unrest that confronts our society.

The reluctance of the administration and Congress alike, as shown by this refusal to hold hearings, to face up to the inflation issue, and to meet our responsibility to the American people, is most deplorable. I have no doubt that the people are ready to take on new burdens, if they are assured that that would insure the continuance of economic expansion at stable prices.

I and others have offered proposals to deal with this dangerous situation. My proposals have included a temporary, across-the-board increase in corporate and individual taxes, a voluntary national credit restraint program, and deferral of certain nonessential government expenditures, such as certain selected government construction projects.

The Senator from Louisiana [Mr. LONG] has offered a suggestion with respect to the investment tax credit. It may have to be deferred for a time. I do not think it can have the immediate impact which is necessary, but nonetheless it deserves urgent consideration.

These proposals may not provide the full answer, Mr. President, but they certainly demand consideration and action in this session of Congress.

In this morning's papers, we were treated to another one of those "informed sources" reports that the President has almost made a final decision to ask for suspension of the 7 percent investment tax credit. If that is true, and it is not just another in the series of trial balloons floated on this issue in recent weeks, it would be like trying to put out a forest fire with a garden hose, because that suspension, Mr. President, would have no immediate impact on capital investment, since under the present law, the tax credit is given when new equipment is installed, and therefore would not affect machinery and equipment on order. As long as overall demand remains at the present high levels, suspension of this tax credit would have little or no effect on investment decisions. But it should be considered, even if I oppose it at this time.

The important thing, Mr. President, is to lay on the table the measures which any or all of us have suggested, which can possibly deal with the flaming and raging inflationary situation in this country. I think it is one of the great political mistakes of all time that the administration seems to think that if action is held off until November, it might do better in the elections. Mr. President, I predict it will do much worse, because the American people want answers and remedies, and do not want this runaway situation to continue.

So I urgently call upon the administration, in its own self-interest as well as in the interests of the Nation—whether it be in permitting hearings before the Joint Economic Committee, or in sending up a tax bill to us now, or in instituting a program for voluntary credit restraints such as we carried on in the Korean war—to act, and not just send up trial balloons and make indirect references, by people who come up here to testify, that it may do something. Action is required. The American people, I think, stand behind a reasonable struggle in Vietnam, and are willing to pay what it takes. They are unwilling to let the economy be eroded by not facing the music.

Mr. President, I have said this very strongly, and I hope very much that it will find a responsive ear in the administration, which I think is making a very great mistake.

NATIONAL MUSEUM OF THE SMITHSONIAN INSTITUTION

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 1310) relating to the National Museum of the Smithsonian Institution which was to strike out all after the enacting clause and insert:

That this Act may be cited as the "National Museum Act of 1965".

SEC. 2. The Director of the National Museum under the direction of the Secretary of the Smithsonian Institution shall—

(1) cooperate with museums and their professional organizations in a continuing study of museum problems and opportunities, both in the United States and abroad;

(2) prepare and carry out programs for training career employees in museum practices in cooperation with museums and their professional organizations, wheresoever these may best be conducted;

(3) prepare and distribute significant museum publications;

(4) perform research on, and otherwise contribute to, the development of museum techniques;

(5) cooperate with departments and agencies of the Government of the United States operating, assisting, or otherwise concerned with museums; and

(6) shall report annually to the Congress on progress in these activities.

SEC. 3. The first paragraph under the heading "National Museum" contained in the Act of July 7, 1884 (23 Stat. 214; 20 U.S.C. 65), is amended by deleting the following sentence: "And the Director of the National Museum is hereby directed to report annually

to the Congress the progress of the museum during the year and its present condition".

Mr. PELL. Mr. President, I move that the Senate insist on its amendments and request a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. PELL, Mr. BYRD of West Virginia, and Mr. COOPER as conferees on the part of the Senate.

THE INVESTMENT TAX CREDIT

Mr. SMATHERS. Mr. President, I should like to take this opportunity to commend my good friend, the majority whip, who is also the chairman of the Committee on Finance, the gentleman from Louisiana [Mr. LONG], for a speech he delivered on the Senate floor the day before yesterday—a provocative and interesting speech with respect to indefinitely postponing the 7-percent investment tax credit, in view of the present state of this Nation's economy. I generally support the tenor of his remarks, as do many others. I agree with others that our economy is now in a somewhat inflated condition, and that we will have to give consideration to what steps should be taken in order to protect the general public, and particularly the consumer.

I thought the speech of the Senator from Louisiana clearly demonstrated the vast knowledge which he has with respect to the fiscal and monetary policies of the Government. Consumers, business, and labor should indeed applaud his efforts to curb inflation and reduce high interest rates, both of which are having an adverse impact on our economy.

All of us here in Congress, as I am sure is true of the administration, are conscious of new pressures developing in the economy, resulting in a situation that is continually growing worse and should be the cause of real concern to Congress and the executive branch of the Government.

No one wants direct control of wages and prices, or even control of credit. Every effort should be exerted to solve the problem, which is adversely affecting our economy, without resorting to such controls.

In the past, only the severest inflationary impact on the economy, coupled with other grave factors, justified the imposition of wage and price controls. But it is possible that such conditions could come about, and at a time when Congress is out of session. I believe the time is approaching when we in Congress must begin to very seriously consider supporting legislation which would provide standby controls on wages, prices, and credit, which could be utilized by the President for a temporary period of time when Congress is not in session.

Mr. DOMINICK. Mr. President, will the Senator yield?

Mr. SMATHERS. I am happy to yield.

Mr. DOMINICK. Is that the Senator's suggestion, or that of Senator LONG of Louisiana? I did not understand.

Mr. SMATHERS. That particular suggestion is my suggestion. I said I think we should begin to consider it.

Mr. RANDOLPH. Mr. President, will the able Senator yield at that point?

Mr. SMATHERS. I am happy to yield.

Mr. RANDOLPH. I think, to complete the record, it might be of interest to state for those who will read it, if not for those in the galleries who may hear, that in 1946, there were approximately 150 Members of the House of Representatives who were not reelected because of the controls which had been placed on our economy.

We realize that the reaction of the American people in reference to price controls is something to be considered very carefully by the Members of Congress who desire to be responsive to the thinking of the American people. I simply wish to go back 20 years, as it were, and to express to the able Senator from Florida that that was the situation then. I wonder whether he would anticipate, if Congress so acted now, that there might be, again, a reaction against Members of Congress.

Mr. SMATHERS. I am certain that the distinguished Senator from West Virginia is more gratified by the fact that our country is strong and alive and producing. We have more people, we have more wealth, we are able to do more. Possibly one of the reasons for this happy situation is because we put on controls at that time, even though people did not like it and even though a few Senators and a few Representatives did not get reelected.

I believe it is better that the ultimate interests of the Nation and the people be served. After all, I am sure the Senator from West Virginia would agree with me that that must be the overriding consideration—not necessarily whether it is going to be easier or less easy for an individual to get reelected.

I agree. People generally do not like wage and price controls. I do not like them. As a matter of fact, they were a sort of monstrosity when we were living under them. Nevertheless, at the end of the war we had a difficult situation then existing which made them essential. There was a shortage of goods. There was an excess demand. Something had to be done.

We may be approaching that kind of situation again. I do not know. However, I do agree with what the Senator from New York said a moment ago that we must begin to think about these things and that the mere fact that they are tough and hard and somebody might find it more difficult to get reelected does not mean that we should ignore the situation.

Mr. RANDOLPH. Mr. President, will the Senator yield?

Mr. DOMINICK. Mr. President, I have the floor.

Mr. RANDOLPH. Mr. President, will the Senator from Colorado yield one moment to me for a question?

Mr. DOMINICK. I yield for a question.

Mr. RANDOLPH. Mr. President, the Senator indicated that we might be approaching the time when we would have to think seriously in Congress in reference to wage and price controls. Could the Senator say that he would rather have the problems of this era of prosperity than the problems of the depression in the thirties or the recession of the fifties?

Mr. SMATHERS. I would much prefer to deal with this era of prosperity—than the problem of a depression such as we had in the early thirties and the type of recession which we have had intermittently since then.

It is only fair to point out that the recessions which we had in the early fifties, in 1958, and in the early sixties were actually recessions. They did not approach in any manner the magnitude of the depression which we had in the early thirties.

One of the solutions to the existing inflationary situation is that proposed by the distinguished chairman of the Finance Committee. While I agree with the objective which he seeks to obtain, I would hope that he would amend his proposal to provide that the suspension of the investment credit come to an end by January 1, 1968.

It may well be that conditions would change to such an extent at that time that we would again need the investment credit to spur the economy.

What I am trying to say is that we have recently adopted an economic formula to use tax reductions, and the investment credit for the purpose of stimulating the economy.

Our problem has been that after we passed a substantial tax reduction bill—and passed, at the same time, an investment credit of 7 percent under certain conditions for businesses—then, when the economy began to move very rapidly, we began to have a shortage of unemployment. We began to have a scarcity of goods.

Even though we were developing at greater productivity, at the same time we did not turn the coin over. We did not use the reverse part of that philosophy, which is to the effect that when our economy is producing greatly, that is the time to dampen the economy by, at that point, increasing taxes and temporarily removing the 7-percent investment credit.

Our economy moves so rapidly these days that by the time we get through debating the situation in the Senate, or by the time we have gone on a recess and returned, it is oftentimes almost too late to take a meaningful step toward remedying the economic condition which is developing at that particular moment.

I would hope that, if we do suspend the 7-percent investment credit, we would not do it forever and a day, but that we would suspend it only until January 1, 1968, at which time the Congress could then, if the country were in an inflated situation, vote to continue that suspension for another year or 18 months.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. SMATHERS. I do not have the floor. The Senator from Colorado has the floor.

Mr. DOMINICK. Mr. President, I yield to the Senator from New York for a question.

Mr. JAVITS. Mr. President, the Senator, I gather from his statement, would be agreeable to a temporary suspension, realizing, of course, that it would not have a direct and immediate effect on the situation, although it might have a psychological effect.

Mr. SMATHERS. The Senator is correct.

Mr. JAVITS. Mr. President, does the Senator have any feeling concerning whether a tax across the board because of the Vietnamese situation would have an effect.

Mr. SMATHERS. I have personally been in favor of a temporary increase on corporate and personal taxes of a minimum nature in order to finance the Vietnamese war, and at the same time to take some of the steam out of an overheated economy.

Mr. JAVITS. Mr. President, I am very grateful to the Senator. I think that is the burgeoning opinion of the Senate.

Mr. SMATHERS. Mr. President, I heard the Senator say that he recommended this procedure last March. I am not on the Republican committee, fortunately for me. Nonetheless, I recommended this procedure, along with some other people, about that time.

Mr. JAVITS. Mr. President, I meant in connection with a report of the Joint Economic Committee.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. DOMINICK. I yield.

Mr. WILLIAMS of Delaware. Mr. President, I continue to hear rumors to the effect that the administration is going to drag out this session until it is too late to adjourn before the election and then have us recess and come back after the election, at which time we will get a request from the administration for a general tax increase.

Could the Senator enlighten us on this point? Will we get the recommendation from the President before the election?

Mr. SMATHERS. Mr. President, I am flattered that the Senator from Delaware thinks I have that kind of information. I am not in the White House. I am in the Senate.

While it is my good fortune to have an opportunity to visit there from time to time, I have not heard anything as to when, if ever, such program is to be presented to Congress.

I read and hear rumors, but, when I try to run them down, I never do obtain their source.

Like the Senator from Delaware, I do not know if we are going to have a tax increase.

I am happily not running this year and probably not ever again. So, it is easy for me to say that I hope the recommendation comes over next week. That would not require a great amount of courage on my part. However, even if I were running, I would vote for this kind of an increase. When I was running in the past, I did vote for this kind of an increase on occasion.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. DOMINICK. Mr. President, I yield to the senior Senator from Oregon.

Mr. MORSE. Mr. President, in respect to the comment of the Senator from Delaware, I do not know what makes him think that a lot of lame-duck Members of Congress will want to come back after reelection.

Mr. SMATHERS. Mr. President, there is one point I would like to make, and that is that the President has from time to time urged both labor and management to use restraint to keep the economy in balance. I believe that Congress itself should share equally the responsibility along this line by not continuing to appropriate more funds than the President has asked for in his budget.

We have already exceeded the President's requests substantially. Some people say that we have exceeded the requests in the neighborhood of $7 billion. Some people say that it is in the neighborhood of $3 billion. However, in any event, the amount involved is substantial.

We cannot ask private enterprise to exercise restraint when Congress does not do so. By private enterprise, I mean labor and management and the consumers. We cannot ask them to exercise restraint when we in Congress fail to exercise equal restraint in connection with Government spending.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. SMATHERS. I yield.

Mr. WILLIAMS of Delaware. I agree with the Senator, that Government should exercise some restraint on its spending. The Senator is correct that Congress has increased many of the spending bills over and beyond even what the President recommended. I am well aware of that, because I find myself in a very small minority in opposing these increases.

But I am wondering whether the Senator could enlighten us as to why the President does not veto these spending bills if he does not like them. We sent him a veto pen as a special gift, on behalf of the Republican Party, and appealed to him to use that veto pen on any bill he thought too expensive. I am wondering if he is only giving lipservice to economy or whether he really means it. If he means it, why does he not veto some of the bills?

Mr. SMATHERS. I remember the record, and I think the Senator from Delaware has a very splendid record, as an individual, with respect to voting on these appropriations.

I am one of the Senators who in some instances have voted appropriations beyond that which the President requested.

I venture to say that if the President had said he would veto the $500 million bill that had to do with sending veterans back to school, I do not think that Congress would have sustained the President. I have a grave doubt that if the President had vetoed, for example, the bill which increased educational grants by some $500 million, Congress would have sustained his veto.

With respect to several other measures which have been increased beyond that which the President asked for, I do not believe Congress would have sustained a veto.

I do not want the Senator from Delaware to continue asking me about what the President thinks or does. I want the Senator to ask me about what I would do. I am qualified to answer that question, and I am not qualified to speak for the President.

Mr. WILLIAMS of Delaware. The Senator is correct.

I now ask the Senator, as one of the leaders of the Senate, as to what the Senate is going to do. Is the Senate planning to adjourn sine die before the election, or will there be a recess until after the election, after which under the guise that we are completing the program of the Senate, the President could easily send us his recommendations for a tax increase?

I shall now ask the Senator a question that is in his field, as one of the leading leaders on the majority side: Are we really going to adjourn sine die, or are we going to drag this session out, and then recess, and come back after the election for a tax increase?

Mr. SMATHERS. I say to my friend, the very able and distinguished Senator from Delaware, that I am complimented that he would call me one of the leading leaders on this side of the aisle. It does not speak very well for the actual leaders. In any event, I thank him for that compliment.

I can only tell the Senator what I know. I would hope that we would be able to adjourn sine die sometime early in October. That is what the indications are from the majority leader.

As the Senator knows, the Senate has a couple of controversial bills to take care of. I hope we do not have to come back. I hope that if the administration has in mind sending a tax bill to the Senate calling for an increase in taxes, it would come over rather shortly, so that we can get to it. But I do not know.

The President has all kinds of economic advisers—some Republican, some Democrat, some from every walk of life—and I am sure that he is receiving from them their best judgment as to what they think he ought to do. On the information which is supplied to him, am personally concerned, I hope that if he is going to make a judgment to increase taxes, it will be done soon, so that we can dispose of it well before the election, and not have to return late in November.

Mr. WILLIAMS of Delaware. I thank the Senator.

As the Senator has stated, the President does get advice from all quarters, and I would like to give him a little advice from this quarter.

If he is going to take 18 months to whip up his courage to ask for a tax increase, the administration can dispel any thought that they are going to stampede that proposal through as an emergency measure in just 18 days.

I think that any suggestion as important as a major change in our tax structure, up or down, is worthy of adequate

hearings and careful consideration by the Senate.

Certainly, the country, recognizing the size of the cost of this Great Society program, all of which bills the President has signed, has a right to know what is in the bill. If the President is planning to increase taxes, he ought to tell the American people before the election what he is going to do, and not wait until after the election, and then, with a great display of a national emergency, say that we have to increase taxes. Surely he knows now there is a war in Vietnam.

Mr. SMATHERS. I should like to respond to the Senator by saying this: It is my understanding and belief that if the Vietnam situation is not changed greatly and if Congress does not continue to add on larger sums of money to appropriation bills than that which the President has requested——

Mr. WILLIAMS of Delaware. And the President does not veto any of these bills.

Mr. SMATHERS. There would be no need for an increase in taxes, to finance an operation in Vietnam.

It is also my understanding that they have not received the final figures or estimates as to exactly what will be needed in Vietnam in the upcoming year, 1967.

As soon as a determination is made on that particular point, the President and his advisers can arrive at a conclusion as to whether or not they need a tax increase for the purpose of paying the increased cost of the Vietnam war.

What I am talking about is whether or not we need—and I have a suspicion that we do—a tax increase not for the purpose of financing the war, but for the purpose of actually taking out of the economy, say, $3, $4, or $5 billion in order to cool the economy, as an anti-inflationary measure.

This is a matter which has taken the President some time to determine. But I am certain that when he knows, that the situation in Vietnam is going to be escalated materially, that it is going to cost considerably more than it is now costing, there will be no delay in the message which he will send to the Congress that more money is going to be needed to finance the Vietnam war.

I think the President understands, as we all do, that in that particular instance—and if that is the purpose of the tax increase—there will be no delay in the Senate or in the House, and there will be no great criticism on the part of the American people, for a tax increase of that character. They do want to support our effort in Vietnam and our boys in Vietnam.

Mr. WILLIAMS of Delaware. There is no question that Congress and the American people want to and will support the boys in Vietnam, regardless of the cost. However, as the President and his advisers evaluate the question of how best to take $3 billion or $4 billion out of an overheated economy, there is one remedy they should not overlook; that is, that the same result may be achieved by stopping the pumping of extra billions into the economy through Government spending. If the administration would only cooperate and if the President would only veto some of the spending bills we could stop the excessive spending. Three billion dollars or four billion dollars of Government spending could be pulled out of the economy and get the same results.

Mr. SMATHERS. I am sure the Senator from Delaware knows that when the President submitted his budget to Congress, he thought that it would be balanced, roughly, within a range of $3 billion or $4 billion. I have understood that since that time that had Congress not continued to appropriate additional sums of money, and had the level of our economy and the war in Vietnam remained the same as it was at the time the budget was sent to Congress, expenditures would not have exceeded a range of $2.5 billion to $3 billion for the year. Actually, because of the excellent business climate, the flow of money into the Treasury has been much more than was anticipated.

The difficulty is that Congress has been appropriating even more money than the President asked for. That is one of the factors contributing to the inflationary condition in our economy today.

Mr. WILLIAMS of Delaware. That is true, but what discourages some of us who are trying to hold down expenditures is that the President, after Congress has substantially increased the amounts of appropriation bills, calls in the television cameras and, in a great display of generosity toward the American people, signs the bills, saying, "See what is coming to you from your benevolent Government in Washington." He ought to veto such bills.

Mr. SMATHERS. I am sure the Senator realizes that after Congress passes bills, the President ought to sign them.

Mr. WILLIAMS of Delaware. Surely, unless he does not want them to become law; then he should not sign them.

The President will have on his desk this week a bill to provide $1,750,000,000 more for FNMA than I understand the President said he wanted. Why does he not veto this bill?

I think Congress would sustain his action. At least we could determine just who is responsible.

Mr. SMATHERS. Why does not the Senator from Delaware get his Republican colleagues at one of their meetings to go on record and say that they will support a veto?

Mr. WILLIAMS of Delaware. We did. All that we need is a little help from the White House.

Mr. SMATHERS. I have not always seen the Senator from Delaware speaking for his party. He is speaking for himself.

Mr. WILLIAMS of Delaware. I think that the President would be surprised at the number of supporters he would have in a real economy effort. I repeat the President would be surprised at the supporters he has in Congress for a real cut in expenditures.

Mr. SMATHERS. We all would. The Senator spoke correctly. He would be surprised and amazed how few would say to him: We are going to vote to sustain a veto of the veterans education bill, or the GI insurance bill which we passed, or other programs that we have adopted where we have gone far beyond the President's budgetary request.

Mr. WILLIAMS of Delaware. If the President will try it, some of us who are his friends in that direction will try to save him from some of the spendthrifts on his side of the aisle, and on this side of the aisle. If he still cannot do it, we will join him at the elections by going out and replacing some of the spendthrifts.

Mr. SMATHERS. Before the Senator from Delaware really starts to tell the Democratic Party and the President what should be done, I think that the Senator from Delaware should work on his party to see if he cannot get them to support the views he expressed. If he can, then the Senator from Delaware can come in and justifiably criticize the rest of us.

I would say that members of the committee understand it and they get along fine. I guess that it would surprise both him and me how much we agree.

Mr. WILLIAMS of Delaware. The Senator is correct.

Mr. SMATHERS. But not on that particular item.

Mr. President, there are many who feel that an across-the-board tax increase on both personal and corporate incomes is overdue. The administration thus far has not seen fit to choose this course of action, believing I would surmise, that such a tax increase could by next year constitute an over dose and precipitate a depression.

All of us are aware that interest rates are currently at the highest level in 36 years.

Let us reflect for a moment on the burden these high interest rates impose.

The able chairman of the Finance Committee pointed out that Americans in 1966 will pay over $47 billion more in interest charges because of the general rise in interest rates that has taken place since 1952.

It is the person who takes out a mortgage to buy a new home, or who secures a loan to buy an automobile, or other major item, that must bear the burden of higher interest rates on real estate mortgage and consumer restraint credit loans.

As taxpayers this same group also bears the burden of higher interest charges on Federal, State, and local debt issues.

Interest payments on the national debt alone climbed by 103 percent from fiscal year 1952 to fiscal year 1966 while the size of the debt increased by only 21 percent.

Moreover, in July of this year interest payments on the Federal debt were running at an annual rate of 107 percent above the rate in the fiscal year 1952.

The members of the general public also bear a sizable portion of the burden of increased interest rates on business loans since these charges are often passed along in the form of higher prices.

Finally, the present monetary situation has imposed still another heavy burden on the little man—the burden caused when an application for a loan to finance the purchase of a new home or a new car

is refused because of the shortage of loanable funds.

The recent sharp rise in interest rates has occurred because a brisk demand for loans has been combined with the application of credit restraint by the Federal Reserve Board. Interest rate pressures, will continue until either the demand for loans slackens or the Federal Reserve Board eases up on its policy of restraint.

The Federal Reserve Board is concerned about the possibility of inflation. While we may take issue with their policy, we cannot entirely disagree with their prognosis. High levels of consumer spending and, in particular, a boom in business investment in plant and equipment, coupled with the materiel requirements of the defense effort in Vietnam have begun to strain available capacity.

The upward movement of prices occasioned by the pressure on capacity has been aggravated by developments in the agricultural sector that have resulted in higher food prices. The result has been the most severe rise in prices since the mid-1950's.

Clearly steps must be taken to prevent the emergence of excessive inflationary forces. Equally as clear, however, is the fact that placing sole reliance on monetary restraint would be both inadequate and unfair. A balanced program including both monetary and fiscal policy is called for. I believe the able chairman of the Finance Committee has made a positive contribution to the eventual formulation of such a balanced program through his proposal for the suspension of the investment credit.

The 7 percent investment credit was proposed in 1961 by the incoming administration of the late President Kennedy in an effort to boost investment in new plant and equipment at a time when such investment was lagging. The credit succeeded in encouraging increased investment for modernization and expansion. Now, however, the incentive it provided for is no longer needed.

The present high level of demand provides sufficient incentive to maintain adequate levels of business investment.

In fact, there is some danger that the investment credit may encourage an unsustainably high rate of investment in new plant and equipment.

If current plans are realized, expenditures for new plant and equipment will be up this year by 17 percent over last year. Last year such spending was up by 16.7 percent over 1964. This performance can be contrasted with the 7-year period from 1956 to 1963 when expenditures for plant and equipment at the end of the period were only 11 percent above expenditures at the beginning of the period.

As the latest issue of Business Week points out, high interest rates have not deterred large corporate borrowers.

> Companies in general—and giant corporations in particular—are the favorite customers of the banks; they are the last to feel the effects of a credit pinch.

The magazine goes on to estimate that corporate borrowing has jumped from an annual rate of increase of 17.7 percent in the calendar year 1965 to an annual rate of increase of 34.9 percent in the month of July 1966. High interest rates then are not yet operating as a significant check to investment spending by the Nation's biggest corporations, although they are severely squeezing home buyers and smaller companies and consumers generally.

Suspension of the investment credit will have a direct impact on investments by large corporations and will succeed where high interest rates have thus far failed. Such action will promote easier conditions in the money market by reducing the demands for loans to finance investments by big corporations. This should permit some easing of interest rates without risk of inflation.

Suspension of the investment credit will not place the entire burden of anti-inflationary policies on business. Under the Tax Adjustment Act of 1966 enacted in March, wage earners and consumers continue to be affected by the increase in tax withholding and by higher excise taxes on automobiles and telephone service. They also continue to be affected by higher social security taxes. On the other hand the impact of the acceleration of corporate tax payments under the Tax Adjustment Act was confined largely to the first half of this year.

In closing, I again wish to commend my distinguished colleague for his timely speech on the problem of high interest rates and the need for a more balanced program of fiscal and monetary policy to restrain inflation. He has made it clear that the toll of increased interest rates is high and rising and that the time to do something about it is now. Otherwise interest rates will go higher and credit to the home buyer and consumer will be tightened further.

DISTRICT OF COLUMBIA MOTOR VEHICLE UNSATISFIED JUDGMENT ACT

The Senate resumed the consideration of the bill (H.R. 9918) to amend the Fire and Casualty Act and the Motor Vehicle Safety Responsibility Act of the District of Columbia.

Mr. DOMINICK. Mr. President, we had been discussing the uninsured motorist fund. I shall speak for 3 more minutes and then I shall sit down.

This is a bill which is being rushed through for no apparent reason. The distinguished Senator from Maryland [Mr. TYDINGS] insisted upon bringing up the bill prior to the Labor Day recess against the protests of some of us, including the Senator from New Hampshire [Mr. MCINTYRE].

The bill is now before us. I cannot see that there is any great reason for the rush on the bill unless it has something to do with the political situation in Maryland. We have been without this bill for a number of years and as desirable as some legislation in this area may be, I cannot see that a few days one way or the other will be too meaningful.

I hope that we will get an improved financial responsibility law, but I do not think we are going to get an improved financial responsibility law by passing the bill which is before us without amendment.

To make the record crystal clear, there is an article in the Washington Post of this morning which was written by a very distinguished reporter who covers the District of Columbia and whom I know—Elsie Carper.

One of the problems we have—those who would try to make some sense out of the bill—is to make sure that everybody knows what the bill will or will not do. In the article it is stated that the fund would be used to compensate District of Columbia residents who are victims of uninsured and insolvent drivers. That is true to a degree only.

It would only take care of District of Columbia residents who happen to be walking on the street at the time the accident happened, and who are uninsured, plus, perhaps, a passenger in an auto hit by an uninsured.

The narrow group which can make claims against the fund is extraordinary. The burden of creating the fund is made a liability on everybody in the District who wants to get insurance or decides to pay $40 instead of getting insurance of any kind.

Mr. President, I yield the floor.

HIGHWAY SAFETY ACT OF 1966—CONFERENCE REPORT

Mr. RANDOLPH. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 3052) to provide for a coordinated national highway safety program through financial assistance to the States to accelerate highway traffic safety programs, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER (Mr. PROXMIRE in the chair). The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of August 31, 1966, CONGRESSIONAL RECORD, pp. 21353–21356.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. RANDOLPH. Mr. President, the conference report authorizes appropriations for State and local safety programs and Federal highway safety research for the fiscal years 1967, 1968, and 1969.

Though there were a number of relatively minor and superficial differences between the Senate and House versions of S. 3052, there were few basic policy differences, all of which were equitably resolved at the meeting of the conferees on August 30.

The major difference between the two versions was in the separate highway safety program for political subdivisions of the States authorized by the Senate and funded at levels equivalent to those for the State highway safety programs. The conference substitute proposal recommends in one section State and local

programs, to be coordinated through the office of the Governor of each of the States, and funded at levels of $67 million for fiscal 1967, $100 million for fiscal 1968, and $100 million for fiscal 1969, with 60 percent of the funds to be allocated to the State programs and 40 percent to be allocated to local safety programs.

This represents $53 million less than the Senate authorized for these programs and $54 million more than the House authorized.

The other major change between the Senate version and that proposed by the conference substitute is in the deletion of the separate sections providing for driver education and vehicle inspection, and the inclusion of these aspects of the highway safety programs as mandatory features of the State safety programs. To assure State action in the field of highway safety, the conference substitute authorizes the withholding of 10 percent of Federal aid highway funds for failure of a State to comply with this act by December 31, 1968.

Finally, the conference substitute authorizes the establishment of a Highway Safety Agency within the Department of Commerce or the Department of Transportation—if that legislation becomes law—to be headed by an officer appointed by the President with the advice and consent of the Senate. The conferees expect that this agency will administer both the Highway Safety Act and the Traffic Safety Act and that the congressional intent in this respect will be implemented by Executive order of the President.

S. 3052, as recommended by the conferees, represents a major step toward reducing the toll of life and the destruction of property on our Nation's highways, and I wish to commend my colleagues on the Committee on Public Works and particularly the ranking minority member of the committee and the Subcommittee on Roads, the Senator from Kentucky [Mr. COOPER], for the diligent attention that they have given to this urgent matter.

I move that the Senate accept the conference substitute on S. 3052.

The PRESIDING OFFICER. The question is on agreeing to its conference report.

The report was agreed to.

FORMER GOV. JOHN E. DAVIS, OF NORTH DAKOTA, NEW COMMANDER OF AMERICAN LEGION

Mr. YOUNG of North Dakota. Mr. President, I am happy and proud to announce to the Senate that a longtime friend and close associate, former Gov. John E. Davis, of North Dakota, has just been elected national commander of the American Legion.

The election of John Davis as commander of the American Legion together with the previous election of another North Dakotan, the Honorable Lynn U. Stanbaugh, to this position is among the greatest honors that has ever come to the State of North Dakota. Few States have had the honor and distinction of electing two national commanders during the 48 years of existence of this organization, one of the greatest patriotic organizations in America.

Since its origin, the American Legion has been in the forefront of the fight to promote American ideals and national security. This organization and all of its members have been very aggressive in alerting Americans to the dangers of international communism. With its more than 2½ million members, it has exerted a wholesome influence on all Americans in every walk of life, particularly our young people.

I know of no organization that is more respected by Members of Congress or has exerted a greater influence for good. The American Legion has exerted a powerful influence not only in the field of important, necessary, and completely justified veterans legislation, but in almost every area affecting our Nation's welfare and particularly our national security.

Throughout the length and breadth of this Nation, Legionnaires and their auxiliary are among the most highly respected and influential citizens of every community. As a young man in World War II, John Davis distinguished himself on the battlefields of Europe. Since then the new national commander has compiled an outstanding record of service as Governor of North Dakota, commander of the North Dakota Department of the American Legion, and State senator and he is a successful businessman and rancher.

John Davis and his charming, talented, and personable wife, Pauline, will make one of the greatest teams the American Legion has ever had and will lead the organization to even greater achievements.

I cannot let this opportunity pass without paying a tribute also to North Dakota's Jack Williams, dean of the American Legion department adjutants, and the only adjutant that the department of North Dakota has ever had. Jack Williams is the only department adjutant who has successfully sponsored two candidates for national commander of the American Legion. Jack has been ably assisted by some of the finest young veterans in North Dakota who have worked their hearts out for this achievement that we in North Dakota are all so proud of.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HART. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXTENSION OF COVERAGE OF THE STATE TECHNICAL SERVICES ACT OF 1965 TO THE TERRITORY OF GUAM

Mr. HART. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1517, S. 2979.

The PRESIDING OFFICER. The bill will be stated by title.

The ASSISTANT LEGISLATIVE CLERK. A bill (S. 2979) to extend coverage of the State Technical Services Act of 1965 to the territory of Guam.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2(f) of the State Technical Services Act of 1965 (79 Stat. 680) be amended by inserting "Guam," immediately after "Puerto Rico,".

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1554), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE AND NEED

The reported bill would amend the State Technical Services Act of 1965 to include Guam in the definition of "State" and thereby permit that territory to participate in the benefits of the State Technical Services Act. The purpose of the original legislation is to speed industrial and economic growth of the country. The proposed legislation would enable Guam to participate in an improved application of technical and scientific knowledge through this grant-in-aid program.

The committee has determined that the Guamanian economy can be strengthened by upgrading its industries through utilization of advanced technology and that Guam should be in the same position as the Commonwealth of Puerto Rico and the Virgin Islands which already are included in the technical services program. The proposed legislation would accomplish this purpose. The cost of a technical services program for Guam would include up to $25,000 per year for the first 3 years for a nonmatched planning grant program and an additional amount of Federal funds for an annual program which funds must be matched and which would fall within the general authorization limits set by the Secretary of Commerce by regulation. Under existing regulations the Federal share of a Guam state technical services program could be up to approximately $40,000 per year.

STEALING, EMBEZZLING, OR OTHERWISE UNLAWFULLY TAKING PROPERTY FROM A PIPELINE

Mr. HART. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1518, S. 3433.

The PRESIDING OFFICER. The bill will be stated by title.

The ASSISTANT LEGISLATIVE CLERK. A bill (S. 3433) to make it a criminal offense to steal, embezzle, or otherwise unlawfully take property from a pipeline.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Commerce with an amendment to

strike out all after the enacting clause and insert:

That (a) the first paragraph of section 659 of title 18, United States Code, relating to theft, embezzlement, or other unlawful taking from interstate transportation facilities, is amended (1) by inserting before the word "railroad" the words "pipeline system,", (2) by inserting before the word "station" where it first appears the words "tank or storage facility,", and (3) by striking out the words "or express" and substituting a comma and the words "express, or other property".

(b) The eighth paragraph of that section is amended by adding at the end thereof the following new sentence: "The removal of property from a pipeline system which extends interstate shall be prima facie evidence of the interstate character of the shipment of the property."

(c) The caption of that section is amended to read as follows:

"§ 659. Interstate or foreign shipments by carrier; State prosecutions.".

(d) The item relating to section 659 contained in the chapter analysis of chapter 31, title 18, United States Code, is amended to read as follows:

"659. Interstate or foreign shipments by carrier; State prosecutions.".

SEC. 2. (a) The first paragraph of section 2117 of title 18, United States Code, relating to breaking the seal or lock on any railroad car, vessel, aircraft, motortruck, wagon, or vehicle containing interstate shipments, is amended by (1) striking out the comma after the word "vehicle" where it first appears, and inserting in lieu thereof the words "or of any pipeline system,"; (2) striking out the comma after the word "express", and insertinng in lieu thereof the words "or other property,"; and (3) inserting therein, immediately after the word "vehicle" where it appears the second time, the words "or pipeline system".

(b) The caption of that section is amended to read as follows:

"§ 2117. Breaking or entering carrier facilities.".

(c) The item relating to section 2117 contained in the chapter analysis of chapter 103, title 18, United States Code, is amended to read as follows:

"2117. Breaking or entering carrier facilities.".

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to make it a criminal offense to steal, embezzle, or otherwise unlawfully take property from a pipeline, and for other purposes."

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1555) explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

SUMMARY AND COST OF THE BILL

S. 3433 would make stealing, embezzling, or otherwise unlawfully taking property from an interstate pipeline or storage facility a criminal offense under Federal law. As amended by the committee, it would also extend the crime to cases of burglary by making it a crime to break a lock or seal of a pipeline system or to enter a pipeline system with the intent to commit larceny. The bill would give interstate pipelines the same protection that is given to rail carriers, motor carriers, water carriers, and air carriers. The cost of enforcing this bill is not known, although it is not anticipated to be significant.

BACKGROUND AND NEED

The pipeline industry has experienced relatively few problems with thefts from pipelines and pumping stations.

The industry, particularly the oil and oil products pipeline industry, is faced with two problems, however, which they fear may considerably aggravate the theft situation. One problem is the remote location of present and proposed pipelines and pumping stations, which increases the opportunity for theft. The new problem is the increasing trend toward automation. Automation will leave many of the pumping stations unattended at all times since they will be remotely controlled. This will also increase the opportunity for theft from pumping stations.

Pumping stations, which are placed every 50 to 100 miles along a line to maintain the pipeline flow, are particularly vulnerable to thefts. This is so because of the accessibility to and the number of exposed valves and pipes, which are protected only by fencing, lighting, etc. Thefts from pipelines are often made by opening a valve at a pumping station or by welding a valve to the pipe, rupturing the pipe beneath the valve, and controlling the flow by means of the valve. The pipeline products can then be transferred to a nearby vehicle.

Witnesses felt State law was inadequate for a variety of reasons. Often, there is no criminal statute directly applicable to a theft from a pipeline. Local laws may have been drafted to apply to a user who may attempt to bypass a meter, not to professional thieves. In the absence of specific legislation, State authorities often are forced to attempt to prosecute for failing to pay a tax on the sale of an oil product. The remoteness of the lines and stations makes it difficult for local authorities to maintain surveillance. The interstate nature of the product and the interstate sale of stolen products poses serious jurisdictional problems. Expert local investigation facilities may be lacking.

Witnesses felt that making theft or burglary involving an interstate pipeline a Federal offense will prevent a rash of illegal activity in the future. Creation of a Federal offense will itself have some deterrent value. Clear penalties will attach to a defined act of theft or burglary. Perhaps most important the Federal Bureau of Investigation will have jurisdiction to investigate. Their expertise and resources will insure that violations of law are investigated in a thorough manner which will substantially increase the likelihood of apprehension.

AMENDMENTS

S. 3433 as originally introduced applied only to consummated thefts. The Department of Justice recommended several amendments, including one that the bill be extended to cover cases of burglary. Witnesses from the pipeline industry agreed with these several suggestions and the committee incorporated them with one exception. The original bill used the word "tank," and the Department of Justice recommended the words "storage tank." The pipeline company witnesses suggested using the words "tank or storage facility" so as to include underground storage of liquefied gases like propane or butane in salt or shale formations. This broader language was incorporated into the bill.

UNRESOLVED PROBLEMS

The very conditions—remoteness, unattended stations—which make it difficult for the companies to maintain surveillance will not be affected by this bill. Accordingly, even if this bill becomes law, a burden will still fall on the companies to maintain the security of their systems.

In addition, there is the technological problem of measuring small losses from pipelines continuously pumping thousands of gallons of products 24 hours a day. Small losses by theft as opposed to leak or evaporation, may not be easily detectable. The technology to make precises measurements of small amounts does not exist. If such technology is to be developed, it will have to be developed by the companies. Such a development would be of considerable aid to the companies and to the Federal law enforcement officials who may be enforcing this bill if it is enacted.

Since thefts are not a significant problem yet, there is no indication of how many Federal law enforcement personnel might be involved in the enforcement of this bill. The cost of the bill is therefore unknown. Witnesses from the industry have assured the committee that they do not expect a rash of cases.

USE OF FILM "JOHN F. KENNEDY—YEARS OF LIGHTNING, DAY OF DRUMS" FOR POLITICAL PURPOSES

Mr. MUNDT. Mr. President, along with many of my colleagues in the Senate, I have been quite concerned about the unfortunate affair which has centered upon the use of the film "John F. Kennedy—Years of Lightning, Day of Drums" for a contemplated partisan political purpose in Milwaukee, Wis., by a candidate who is running for the congressional seat presently held by Representative GLENN R. DAVIS. There is some assurance that this disturbing incident is in the process of being resolved in a satisfactory manner. According to yesterday's statement by Mr. Roger L. Stevens, Chairman of the Board of Trustees of the Kennedy Center:

> When the provisions of the legislation were brought to its attention, the sponsoring group withdrew its request and its deposit was returned.

By this, I understand that the film will not be shown in Milwaukee on September 28 under the auspices of a political organization for the purpose of fundraising. It is my further understanding there will be no further or future authorizations for the political use of this fine film.

Quoting from the statement of Mr. Stevens:

> Embassy Pictures Corp., which is distributing the film in commercial theaters, a service for which it has waived all distributor's fees, has reaffirmed instructions to all motion picture theaters that showings of the film cannot be connected with any partisan political activity or candidate.

In these circumstances, it would appear that the clear and useful light of publicity has prevented what otherwise would be a flagrant violation of the intent of Congress.

I want to take this opportunity to congratulate Representative DAVIS of Wisconsin for his diligence in bringing this matter to the attention of the country, because I would now hope that, from what has been disclosed and discussed and from the publicity, occurrences of this nature, such as has occurred in Milwaukee, Wis., directly in opposition

to the purport and purpose of the legislation enacted by Congress, will not again occur.

We cannot, however, merely close the book on this very unfortunate affair without making some observations, or without drawing some conclusions to guide our future actions.

The first point I wish to make in this regard is that, on the basis of the information available to me, the U.S. Information Agency appears to be blameless with respect to this affair. Those of us in the Senate who had many reservations about authorizing legislation to permit the Kennedy film to be shown domestically were particularly concerned about the role of the USIA. And in Senate Joint Resolution 106 it was made completely clear that the Agency should play no role in the distribution of the film and should not have anything to do with any financial returns its use would bring *in this country*.

The original legislation establishing the Agency, commonly referred to as the "Smith-Mundt Act," provides most explicitly that the USIA should play no information role whatsoever within the United States and its territories. Thus, the Senate resolution directed the Agency in precise terms to transfer certain copies of the film to the Kennedy Center for a specified purpose and price. The center was given the exclusive right to distribute it through commercial and educational media for viewing within the United States.

Furthermore, the USIA was not placed in a position to have anything to do with the proceeds of any showings of the film; it was provided that these would be covered into the Treasury for the benefit of the Kennedy Center.

Consequently the USIA was given a precisely limited task, and I believe we can be satisfied that the Agency performed the task ascribed it by the Congress in a straightforward and proper manner.

We are informed by the Agency that its licensing agreement with the Kennedy Center exactly followed the directives of the Congress and referred clearly to both the letter and spirit of the resolution. Therefore, I take this opportunity to state my firm belief that the USIA should not be the target of any criticism arising from the intended misuse of the film.

It may be that some of the criticism should be directed toward the arrangements made after the USIA completed its assignment role. But I do not believe we are fully conversant with all the circumstances as yet, and it does seem that final judgment should be withheld for the moment.

Frankly, I had anticipated that the language of the resolution, along with the legislative history contained in the Senate and House reports, would have prevented any loopholes being found in carrying out the will of the Congress. This does not seem to have been the case.

As we all know, it is extraordinarily difficult for legislation to provide against every conceivable contingency that might arise or might be contrived. In this case, as in others, it appears that we must rely on the good faith of those involved, and on the performance by the American press of its vital function in shedding light in all corners of our society, and on the diligence and alertness of such persons as Representative DAVIS in having violations of the intent of Congress promptly and properly brought to the attention of the country. Should other such violations unhappily occur I hope the people and the press of America will expose them promptly. The extreme course of revoking the joint resolution does not appear to me to be required in this instance.

However, Mr. President, I believe that this regrettable incident should serve as a very useful warning to us in the Congress in the future. At a minimum, I think we should be extremely skeptical in our dealing with any such proposal that might again come before us for action. Whatever the justification for releasing this Kennedy film domestically may be, and whatever the benefits that may accrue, the doubts of those of us who displayed concern about the joint resolution have been fully confirmed.

Inasmuch as it has already involved the USIA in a controversy, I hope my remarks this afternoon and the facts as they are disseminated throughout the country will serve to protect the USIA from the unjust criticisms which have been made against it.

I do not think that we can afford to place the activities and reputation of the U.S. Information Agency under a cloud, no matter how small a one and no matter what the supposed merits of the case. In this instance, I strongly believe that no such shadow has been cast. But I am equally convinced that there should be no repetition of this kind of affair.

I have confidence and hope that the directors of the Kennedy Foundation will recognize the good-faith commitment which was implicit in the sale of this film to them, for educational and cultural purposes and to help finance the activities of the foundation. They have the direct responsibility for preventing violations of this good-faith commitment.

Mr. McGOVERN. Mr. President, will my colleague yield to me?

Mr. MUNDT. Yes, I am happy to yield to my colleague from South Dakota, who, together with the Senator from Rhode Island [Mr. PELL], was the original author, I believe, at least as far as the Senate was concerned, of the resolution in question.

Mr. McGOVERN. I thank my senior colleague for the remarks he has made here today. He not only played a part in the original formation of the Voice of America and the USIA activities, but he was one of those who had the foresight to ask that certain guidelines be laid down and precautions taken on the handling of this film, to prevent the very sort of development that has occurred in the last few days from taking place.

Mr. President, as a principal author of legislation enacted by the Congress last year to authorize domestic distribution of the stirring USIA memorial film on the White House years of the late President John F. Kennedy, I deeply regret newspaper reports that a Democratic congressional candidate in Wisconsin had planned to use the film to raise funds for his political campaign.

I am very pleased to learn this morning, however, that the following statement on this matter was issued yesterday by Mr. Roger L. Stevens, chairman of the board of trustees of the John F. Kennedy Center for the Performing Arts:

> The documentary film depicting the life of the late President Kennedy was produced by the United States Information Agency for distribution abroad. Because of the great interest shown in the film abroad, Congress authorized the distribution of the film in commercial theaters in the United States, the proceeds to go to the John F. Kennedy Center for the Performing Arts, now under construction in Washington. Congress stipulated that the film not be used for partisan political purposes.
>
> In Milwaukee, Wisconsin, arrangements were made for the showing of the film under the sponsorship of a local political organization. The theater owner in Milwaukee understood that he should not restrict attendance at the theater in any way. When the provisions of the legislation were brought to its attention, the sponsoring group withdrew its request and its deposit was returned. Embassy Pictures Corporation, which is distributing the film in commercial theaters, a service for which it has waived all distributors' fees, has reaffirmed instructions to all motion picture theaters that showing of the film cannot be connected with any partisan political activity or candidate.

Mr. President, this is a most welcome statement. For it is absolutely clear that such a use of the film would directly violate the unequivocal intent of the Congress in enacting Senate Joint Resolution 106.

In reporting the resolution favorably to the Senate floor, the Senate Foreign Relations Committee said, and I quote:

> The committee agreed that there should be no partisan political considerations in the arrangements made for distributing the film in the United States and that there should be no showing of the film, as at a political convention for example, which would serve a partisan political purpose.

In its report, the House Committee on Foreign Affairs said, and again I quote:

> Nonpartisanship should be the rule in all arrangements for its distribution in this country. The film ought not to be used, for example, for partisan political fundraising.

Mr. President, there can be absolutely no doubt as to the congressional intent on this point. The legislative history is not open to any interpretation that would permit the use of the film to raise funds for a political campaign.

The resolution was enacted by the Congress in order that millions of American citizens might be able to see this excellent film on our late President without any political considerations whatsoever. Partisan use of the film was clearly ruled out.

It should be made clear that USIA is in no way involved in this controversy. Under the legislation passed by the Congress, USIA was simply authorized to transfer to the trustees of the John F. Kennedy Center for the Performing Arts six master copies of the film, and the exclusive rights to distribute copies through educational and commercial media in the United States. The reso-

lution required the center to reimburse the U.S. Government $122,000 to cover the Government's cost of producing the film.

I ask unanimous consent that certain newspaper articles regarding the unfortunate incident in Milwaukee be printed at this point in the RECORD, together with the Senate committee report.

There being no objection, the items requested were ordered to be printed in the RECORD, as follows:

[From the Washington (D.C.) Star, Aug. 31, 1964]

DEMOCRAT DEFENDS HIS USE OF J.F.K. FILM AS FUND-RAISER

(By Robert Walters)

A Milwaukee Democrat today defended his plan to raise funds by showing the government-produced movie, "John F. Kennedy—Years of Lightning, Day of Drums."

But a spokesman for the Kennedy Center for the Performing Arts here, which has been given rights to the film, charged that "it's completely illegal."

The political showing of the Kennedy documentary was questioned yesterday in a House speech by Rep. GLENN R. DAVIS, R-Wis., who said Democrat James P. Buckley planned to use the film for fund-raising purposes. Buckley is seeking the Democratic nomination to run against DAVIS.

Buckley, told of DAVIS' attack, said he'll go ahead with his plan.

DAVIS cited a newspaper story which said the film would be shown Sept. 28 at a Milwaukee theater to benefit the "Buckley for Congress Club." The story described the screening as the film's Midwest premiere and said general admission would cost $5 and reserved tickets $25.

DAVIS said that during the congressional debate last year on distributing the film domestically, both the House and Senate committees involved insisted that it not be used for political purposes.

The picture, a documentary on the life and death of the late President, was made by the U.S. Information Agency, originally for distribution abroad.

DAVIS told the House yesterday that "it is apparent that the USIA has collaborated in a purely partisan political venture, or that the agency has been hoodwinked."

Rights to domestic distribution of the film were sold last year by the USIA to the Kennedy Center, which plans to use income derived to help finance its cultural programs.

The Kennedy Center spokesman said that distribution of the film was being handled by Embassy Pictures, Inc., of New York with all proceeds beyond distribution costs to be turned over to the cultural center.

An Embassy Pictures official said the film would open in theaters throughout the country later this month, but declined to comment on the controversy over political use of the movie.

Buckley, however, said both Embassy Pictures and the local theater "specifically authorized the showing for this purpose. My manager met with them because we wanted to make it crystal clear that we would be using it for fund-raising."

Buckley said "an as-yet unspecified contribution"—which would probably amount to 5 or 10 percent of the profit—would be made by him to the Kennedy Center, but added that "the bulk of the profits will go to my club."

Buckley said "DAVIS is creating a political issue" and challenged the Republican to make a contribution to the Kennedy Center.

Buckley said the film was originally offered to the Milwaukee County Democratic party for its fund raising. The organization offered him the chance to use it, Buckley said.

[From the Washington (D.C.) Post, Sept. 1, 1966]

MILWAUKEE FACTION WITHDRAWS PLAN TO USE KENNEDY FILM

Milwaukee Democrats dropped plans yesterday for a benefit showing of a USIA film on the presidency of the late John F. Kennedy after their sponsorship became a national hot potato.

The local Democrats, members of a committee backing the candidacy of James P. Buckley for Congress, were planning to use the proceeds from the Sept. 28 Milwaukee premiere of the film—"Years of Lightning, Day of Drums"—to finance Buckley's campaign.

Buckley's opponent, incumbent Rep. GLENN R. DAVIS (R), charged Monday that use of the film for partisan fund-raising "brazenly disregards" Congressional intent to keep things non-political when it approved domestic distribution of the film last year. Committees in both Houses had specified that the documentary should not be used for "partisan fund-raising."

DAVIS' blast sent everyone scurrying for an explanation, including Roger L. Stevens, chairman of the John F. Kennedy Center for the Performing Arts, which under the Congressional resolution receives all proceeds from the film's distribution.

After touching bases with Embassy Pictures, which is distributing the film, the Stanley-Warner Corporation, owners of Milwaukee's Capitol Court Theater where the film is to be shown, and Sen. EDWARD (TED) KENNEDY, who was said to be quite exercised about the whole thing, Stevens announced:

"The theater owner in Milwaukee understood that he should not restrict attendance at the theater in any way. When the provisions of the legislation were brought to his attention, the sponsoring group withdrew its request and its ($500) deposit was returned."

Furthermore, he added, "Embassy Pictures Corp. has reaffirmed instructions to all motion picture theaters that showings of the film cannot be connected with any partisan political activity or candidate."

The "theater owner" he was talking about is Harry Mintz, regional manager in Milwaukee for Stanley-Warner. Mintz told The Washington Post yesterday that he was looking for sponsorship for the film's premiere so he quite naturally offered it to the Democratic County organization "because the picture was about a Democrat."

According to the deal they worked out, Mintz said, the theater would get $2,014, equivalent to a full-house sale at regular prices, the Kennedy Center would get about half of that, and the Democrats could keep the profits from the $5 to $25 ticket sales.

"I don't see anything wrong with that," said Mintz. "It would have brought more revenue to the Kennedy Center than if it were unsponsored and we only filled half the house. If it was Eisenhower I would have gone to the Republicans."

As things stand now, the Kennedy film will be on schedule and nonpartisan.

USIA FILM "JOHN F. KENNEDY—YEARS OF LIGHTNING, DAY OF DRUMS"

PURPOSE OF LEGISLATION

The resolution expresses the sense of the Congress that the people of the United States should not be denied an opportunity to see the film prepared by the U.S. Information Agency (USIA) and entitled "John F. Kennedy—Years of Lightning, Day of Drums." It authorizes USIA to transfer to the trustees of the John F. Kennedy Center for the Performing Arts six master copies of the film, and the exclusive rights to distribute copies thereof, through educational and commercial media for viewing within the United States. The resolution requires that at the time delivery of these master copies of the film, the John F. Kennedy Center for the Performing Arts will pay the Treasury $122,000 to reimburse the U.S. Government for its costs in producing the film. The resolution further provides that the net proceeds resulting from the distribution of the film by the John F. Kennedy Center for the Performing Arts will be covered into the Treasury for the benefit of the Center and will be available to the trustees of the Center for use in carrying out the purpose of the act authorizing the Center. Finally, the resolution provides that any documentary film which has been, is now being or is hereafter produced by any Government department or agency with appropriations out of the Treasury concerning the life, character, and public service of any individual who has served or is serving in any official U.S. Government capacity will not be distributed or shown in the United States unless authorized by specific law.

BACKGROUND

After the assassination of the late President John F. Kennedy, USIA produced a color motion picture entitled "John F. Kennedy—Years of Lightning, Day of Drums." The film was released in the fall of 1964 and has been distributed in 117 foreign countries. USIA has also distributed, or is in the process of preparing for distribution translations of the film in 29 foreign languages. According to press reports, and the reports of U.S. representatives abroad, the film has been received enthusiastically by foreign audiences.

Section 501 of the United States Information and Educational Exchange Act of 1948, as amended, (Public Law 80–402) provides that the output of USIA shall be made available for examination by Members of Congress as well as by representatives of the press and of other communications media. This provision was included in the law in order to assure that the output of USIA would be subject at all times to scrutiny by responsible persons outside the agency. Under this provision, the film has been shown to a limited number of people within the United States. The film has also been shown in Boston, Mass., at the dedication of the Boston Civic Memorial Center on February 22, 1965, pursuant to House Current Resolution 282, and in Cambridge, Mass., at the 25th class reunion of the Harvard class of 1940, pursuant to House Concurrent Resolution 426.

It has not, however, been shown to the public at large in the United States. Section 2 of the United States Information and Educational Exchange Act of 1948, as amended, states, that USIA is—"to disseminate abroad information about the United States, its people, and policies * * *."

Section 501 of the same act contains similar language limiting USIA's activities to disseminating information about the United States *abroad*. It was clearly the intent of Congress when the act was passed, an intent that has been reaffirmed frequently since, that USIA should not disseminate information domestically.

COMMITTEE ACTION

At executive sessions on March 3 and 16, 1965, the committee considered three resolutions relating to the showing of the film in the United States. These resolutions were Senate Concurrent Resolution 4, which had been introduced in the Senate on January 6, 1965, by Mr. MCGOVERN; Senate Joint Resolution 8 which had been introduced in the Senate by Mr. PELL also on January 6, 1965; and House Concurrent Resolution 285 which had been introduced in the House on February 10, 1965, passed by the House by a vote of 311 to 75 on June 9, 1965 and placed on the Senate Calendar on June 10, 1965.

All three of these resolutions expressed the sense of the Congress that the people of

the United States should not be denied an opportunity to view the film and that USIA should make appropriate arrangements to make the film available for distribution through educational and commercial media for viewing within the United States. Senate Concurrent Resolution 4 also provided that the net proceeds resulting from showing the film would be contributed to the John F. Kennedy Center for the Performing Arts. Senate Joint Resolution 8 provided that these proceeds would be covered into the Treasury for the benefit of the Center. House Concurrent Resolution 285 made no mention of the disposition to be made of the proceeds resulting from showing the film. The committee reached no decision on these resolutions at the two executive sessions in March.

The committee met again in executive session on August 24 to consider House Concurrent Resolution 285. While the committee decided that the people of the United States should not be denied an opportunity to see the film, the committee considered it important that it be made clear that no precedent would be established which might encourage USIA to turn from its assigned task of conducting information activities abroad to disseminating information at its discretion in the United States. The committee also decided that the commercial distribution of the film in the United States should be taken out of the hands of USIA; that the net proceeds resulting from showing the film in the United States should be made available to the John F. Kennedy Center for the Performing Arts; and that the Center should pay $122,000 for six master copies of the film, and the exclusive rights to distribute copies thereof within the United States, in order to reimburse the U.S. Government for its expenditures in producing the film. In addition, the committee concluded that the authority to allow the showing of the film in the United States under the conditions described above should be by joint resolution having the force and authority of law rather than by House Concurrent Resolution 285 which would merely express the sense of the Congress. It thus decided not to recommend favorably House Concurrent Resolution 285 and to report in its place an original Senate joint resolution.

The committee agreed that there should be no partisan political considerations in the arrangements made for distributing the film in the United States and that there should be no showing of the film, as at a political convention for example, which would serve a partisan political purpose.

Mr. MUNDT. I thank my colleague for his informative statement. He will recall, as the original author of the legislation—I believe Senator PELL was the author of a somewhat similar resolution—that when it came before the Committee on Foreign Relations, I, as author of the Smith-Mundt Act, which had created the U.S. Information Agency, was assigned by the chairman of the committee some special responsibilities in connection with the legislation. We all—the members of the committee, the sponsors of the legislation, my colleague, and the Senator from Rhode Island—were moving in the same direction. We wanted to make this film available. It was about the life and contributions of a martyred President; it was not likely to create a precedent, but still, something had to be done, through legislative legerdemain, to make sure that we were neither creating a precedent nor violating existing law.

So we had a subcommittee appointed, which as I recall was comprised of the Senator from Rhode Island [Mr. PELL], who was a member of the committee, myself, as a member of the committee as chairman, and my colleague [Mr. McGOVERN], as a nonmember of the committee, sitting with the subcommittee to help write out the legislation, because he was the original author.

We had a number of meetings, over several months, and worked out what we thought was an ironclad understanding. The committee made very minor modifications, as I recall, in the recommendations of our subcommittee, and wrote the report from which my colleague has quoted. So there was no question about the good-faith commitments all around. There was no question, as he and I agreed, but that USIA performed its part of the function in strict conformity with the legislation.

Mr. President, I ask unanimous consent that the statement referred to by Mr. Roger Stevens, and an article entitled "USIA's Film on Kennedy Booked in Political Drive," written by George Lardner, Jr., and published in the Washington Post, be printed in the RECORD at the conclusion of my remarks, because they confirm what we have stated here today.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. MUNDT. I might add just one further statement. My colleague has quoted from the Senate report. The House report contained the following language, on the same bill:

> The film ought not to be used, for example, for partisan political fundraising.

So, of course, the Milwaukee incident was in direct violation of that mandate in the report of the House committee.

I am glad this attempted violation has been abandoned. I have every reason to believe we will not have a recurrence. I think it would be a shameful thing if understandings arrived at in good faith commitments made by committee reports and in the legislative history should be violated because of the fact that, legislatively, it is relatively difficult and perhaps impossible to bind the eventual use of a film which is to be distributed by some commercial agency.

But the understanding is there, and the Kennedy Foundation has the power, the authority, and the responsibility to act precisely as Mr. Roger Stevens has acted in this case. I commend him for taking that prompt action, and hope that he will properly instruct the Embassy Distributors, so that they do not arrange, again, for a violation of what is the definite legislative understanding in connection with this action involving a foreign information film produced solely for foreign viewers and totally at our taxpayers' expense.

Mr. WILLIAMS of Deleware. Mr. President, will the Senator yield?

Mr. MUNDT. I am happy to yield to the Senator from Delaware.

Mr. WILLIAMS of Delaware. I join the Senator from South Dakota in the remarks he has just made, and I point out that not only was it the intent of Congress that this film not be used for partisan politics, but the law itself so provided. I quote from the CONGRESSIONAL RECORD of August 26, 1965, at the time the resolution was agreed to:

> Senate Joint Resolution 106, the resolution before us today, authorizes USIA to transfer to the trustees of the John F. Kennedy Center for the performing Arts six master copies of the film, and the exclusive rights to distribute copies thereof, through educational and commercial media for viewing within the United States.

The comments of Senator McGOVERN, from which I have quoted, continue to the effect that any moneys derived from this would accrue back to the treasurer of the Kennedy Foundation.

I think whoever made this decision was certainly perfectly well advised, and should be taken to task and lectured in no uncertain terms that if it happens again, he may find himself out of a job.

Mr. MUNDT. I thank the Senator for his contribution. He also is a member of the Committee on Foreign Relations, and will recall the considerable time devoted to this issue by our committee, purely in the effort to achieve the worthwhile purposes of the authors of the legislation, without doing violence to the concept that there should be no governmentally subsidized propaganda programs inside the United States.

I hope that this discussion will help to cement the understandings which prevail in this case. Let us have no more attempts to play partisan politics with this film which was made available by USIA through an action of Congress specifically devised to prevent precisely such political shenanigans.

EXHIBIT 1

From: Thomas J. Deegan Company, Inc., 602 Ring Building, Washington, D.C.

For: John F. Kennedy Center for the Performing Arts, 1701 Pennsylvania Avenue NW., Washington, D.C.

For immediate release:

WASHINGTON, D.C., August 31, 1966.—Roger L. Stevens, Chairman of the Board of Trustees of the John F. Kennedy Center for the Performing Arts, issued a statement today in response to inquiries regarding the distribution of the film, "Years of Lightning, Day of Drums," to commercial theaters in the United States.

Mr. Stevens said:

"The documentary film, depicting the life of the late President Kennedy, was produced by the United States Information Agency for distribution abroad. Because of the great interest shown in the film abroad, Congress authorized the distribution of the film in commercial theaters in the United States, the proceeds to go to the John F. Kennedy Center for the Performing Arts, now under construction in Washington. Congress stipulated that the film not be used for partisan political purposes.

"In Milwaukee, Wisconsin, arrangements were made for the showing of the film under the sponsorship of a local political organization. The theater owner in Milwaukee understood that he should not restrict attendance at the theater in any way. When the provisions of the legislation were brought to its attention, the sponsoring group withdrew its request and its deposit was returned. Embassy Pictures Corporation, which is distributing the film in commercial theaters, a service for which it has waived all distributor's fees, has reaffirmed instructions to all motion picture theaters that showings of the film cannot be connected with any partistan political activity or candidate."

USIA's FILM ON KENNEDY BOOKED IN POLITICAL DRIVE

(By George Lardner Jr.)

A Wisconsin Democrat acknowledged yesterday that he was using the U.S. Information Agency film, "John F. Kennedy—Years of Lightning, Day of Drums" to help finance his campaign for Congress.

The candidate, James P. Buckley, said he expected to use most of the profits from the film's "Midwest premiere" to unseat incumbent Rep. GLENN R. DAVIS (R–Wis.).

In approving domestic distribution of the film last year, both the House Foreign Affairs Committee and the Senate Foreign Relations Committee had said the film should not be used "for partisan political fund raising" or for "a partisan purpose."

DAVIS complained about the proposed Sept. 28 Milwaukee showing in a House speech yesterday.

He said it "brazenly disregards" the strictures of the congressional committees.

In a telephone interview, Buckley made no secret of his plans for the proceeds. But he contended he was on safe legal grounds.

Tickets for the showing at Milwaukee's Capitol Court theater are being sold at $5 a head for general admission and $25 each for reserved seats by the Buckley for Congress Club.

Buckley, who is chief clerk of the Wisconsin State Assembly, said the Club "got the film from the (Milwaukee County) Democratic Party."

He said his Club would keep 60 per cent of the profits and split the rest between the Milwaukee County Democratic organization ("5 or 10 per cent") and the John F. Kennedy Center for the Performing Arts in Washington ("30 or 35 per cent").

In the joint resolution approving domestic distribution, Congress said that "the net proceeds resulting from any such distribution" should go to the Kennedy Center.

"The word, 'distribution,' that's the kicker," Buckley said. "Sure, this is partisan political fundraising. But the profits from the distribution of the film (as distinct from its showing) will not be affected at all."

The "distribution profits," Buckley reasoned, would be represented by the $2014 his Club is paying to rent the theater and show the film. Any additional payment to the Kennedy Center, he argued, would represent a "contribution" that the Buckley Club can determine as it wishes.

In his House speech, DAVIS pointed an accusing finger at USIA for the arrangement, but a USIA spokesman said the Kennedy Center's trustees had complete charge of domestic distribution.

Roger Stevens, chairman of the Kennedy Center trustees, could not be reached for comment. Neither could Embassy Pictures head Joseph E. Levine.

Meanwhile, it was learned yesterday that the film will virtually tiptoe into Washington on the evening of Sept. 21 for a 5-week run at the Uptown Theater. Kennedy Center officials, said to be anxious to avoid any commercial taint in the Capital city, vetoed requests by three non-political groups to sponsor the premiere.

As in New York last April, the film will make its debut here with none of the usual black-tie, kleig-light fanfare of major screen openings. Tickets will be on an unreserved, first come, first-served basis.

Mr. MUNDT. Mr. President, I yield the floor.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House had agreed to the amendments of the Senate to the bill (H.R. 3078) for the relief of Lourdes S. "Delotavo" Matzke.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4665) relating to the income tax treatment of exploration expenditures in the case of mining.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 15750) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 3005. An act to provide for a coordinated national safety program and establishment of safety standards for motor vehicles in interstate commerce to reduce accidents involving motor vehicles and to reduce the deaths and injuries occurring in such accidents;

S. 3052. An act to provide for a coordinated national highway program through financial assistance to the States to accelerate highway traffic safety programs, and for other purposes;

H.R. 4665. An act relating to the income tax treatment of exploration expenditures in the case of mining;

H.R. 13284. An act to redefine eligibility for membership in AMVETS (American Veterans of World War II); and

H.R. 15858. An act to amend section 6 of the District of Columbia Redevelopment Act of 1945 to authorize early land acquisition for the purpose of acquiring a site for a replacement of Shaw Junior High School.

EMERGENCY ACTION TO HALT DESTRUCTION OF CALIFORNIA REDWOODS

Mr. KUCHEL. Mr. President, with a great amount of pride, I read to the Senate a press release which has just came over the ticker:

WASHINGTON.—President Johnson, in an unusual move, today asked Congress for emergency legislation to halt the cutting of timber in the proposed California Redwoods National Park.

Interior Secretary Udall told newsmen that Johnson directed him to send the measure to the House and Senate to forestall cutting by a California lumber company. The Cabinet officer said the cutting threatened to destroy much of the proposed 46,000-acre park.

The bill would ban for one year any further chopping of the redwoods, while Congress has time to act on pending legislation which would set the area aside as a national Park. The lumber company, Udall said, would retain "the right to go into court and receive just compensation."

The lumber firm involved is the Miller Redwood Company, of Crescent City, Calif. Udall made public an exchange of letters with Harold Miller, who heads that company, in which the secretary accused the firm of "an outrageous public-be-damned, conservation-be-damned approach to this whole issue."

Udall charged that the company's location of logging operations "along the state park boundary and in other key spots is, in reality, a spite cutting action designed to destroy the great trees whose preservation is the main purpose of a park in the Mill Creek Watershed."

What a tremendous thing it is for the people of the United States that the President should send to the Senate this request for emergency legislation under which the United States would acquire an easement against cutting for a year to give Congress an opportunity to face up to the high need of acquiring, by law, a Redwood National Park.

Mr. President, I am authorized to say that the term of the easement would run until, October 15, 1967, and that the Government will undertake a campaign under which private subscriptions may be made by the people of this country to pay Miller-Rellim Redwood Co. just compensation for that eastment hopefully it will not cost the American taxpayer a penny.

I was highly honored earlier this year to introduce, along with Senators on both sides of the aisle, legislation recommended by the President to create a Redwood National Park in northern California.

I accompanied members of the Senate Parks and Recreation Subcommittee earlier this year to Crescent City, Calif., where we held 2 days of hearings. We went over the area by helicopter. We saw there trees that were hundreds of years old. Indeed, some of the trees which would be included in this park trace their history back more than 2,000 years ago.

What a tragic thing it was to find in Crescent City that the president of this one lumber company which owns part of the virgin tract designated to be a park for the American people had placed his saws and bulldozers and axes into the very pathway of the proposed park.

The president of that lumber company was accused at that time by people representing the respected conservation groups of this country of performing that act in order to destroy the value of the company's property for a park for the American people.

It was subsequently brought out that this company refused to permit representatives of the Government of the United States onto the property to take pictures and view the cut over areas.

At a subsequent hearing on this very matter, several days ago in Washington, I asked Mr. Miller, the president of Miller-Rellim Redwood Co., whether in the future his policy would be the same, to deny an opportunity not only to the public, but also to representatives of the Federal Government to visit the properties. Mr. Miller said that in the future his past policy, of putting up a "keep out" sign would be changed.

I have spoken on this subject in the Senate a number of times. Within the last 24 hours I have written a letter to the President of the United States expressing my respectful hope that he might publicly urge the Miller-Rellim Redwood Co. to stop its spite cutting.

I ask unanimous consent that this letter be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

SEPTEMBER 1, 1966.

President LYNDON B. JOHNSON,
The White House,
Washington, D.C.

MY DEAR MR. PRESIDENT: I was proud this spring to sponsor, along with other Senators, Republicans and Democrats alike, legislation which you recommended to create a Redwood National Park in northern California. After hearings on the legislation, it is even more evident to me that the creation of a great Redwood National Park is completely in the public interest.

I deeply regret that in recent months Miller-Rellim Redwood Company has moved its saws and axes into a magnificent stand of virgin redwoods which it owns within the proposed park boundaries. At a hearing a few days ago, the company's president admitted that it is now cutting along the south edge of the Jedediah Smith State Park.

Experts in your Administration and conservationists have advised me that it would be feasible for Miller-Rellim to log its tracts outside the proposed park boundaries. On the basis of that advice, I have endeavored to persuade the company to move its operation while legislation is pending before Congress. The company has ignored the earnest entreaties of Secretary Udall and myself, and it abruptly broke off discussions with Secretary Udall which we had hoped would bring an end to the progressive destruction of the park quality of Miller-Rellim's property.

I most respectfully request that you publicly urge Miller-Rellim Redwood Company to stop its "spite cutting" immediately, and to move its logging operation, until Congress has had ample time to consider the bill which you have recommended.

If the company does not desist, by the time a park can be created and the Miller-Rellim land acquired, the area will be terribly scarred.

With great respect,
Sincerely yours,

THOMAS H. KUCHEL,
U.S. Senator.

Mr. KUCHEL. The President has done even more than I had asked. The President has asked Congress to take action on an emergency basis. I will introduce that legislation as soon as it is transmitted to the Senate.

I hope that, in a spirit of complete unpartisanship, the Senate and the House of Representatives will speedily approve that legislation and send it to the President, so that this area of virgin redwood growth in California will be protected pending action in the next session to create a Redwood National Park.

THE MAJESTIC REDWOODS—"SILVICAL CHARACTERISTICS OF REDWOODS"

Mr. KUCHEL. Mr. President, since the redwood pot began to boil, the Sequoia sempervirens has become the most talked about tree in the country. Yet most of us do not know who discovered this giant redwood, its principal enemy, or characteristics of its growth.

These, and many other facts, are contained in a research report on the life history and growth characteristics of the coast redwood, published recently by the U.S. Forest Service Experiment Station in Berkeley, Calif. The report, entitled "Silvical Characteristics of Redwoods," was written by Douglass F. Roy, a forestry graduate of the University of California and for many years with the U.S. Forest Service. It is an excellent and highly interesting report which I commend most highly.

According to the report, the first white man's sighting of redwood was by the Don Gaspar de Portola Expedition on Tuesday, October 10, 1769, near the present location of Santa Cruz, Calif. No one recognized the tree so they named it redwood for the color of its bark. The genus was later named Sequoia, for Sequoyah, a Cherokee Indian. No one knows why.

Fire is the worst enemy of redwood. Young stands can be destroyed by a single ground fire, but older trees may live through three or four severe fires every hundred years because of the thick bark which protects the tree. This covering has been known to be a foot thick. Fire often damages mature redwoods and opens the way for rot; the combination of recurring fires and advancing decay produces large holes at the base of the trees called goose pens.

Roy's report also reveals that:

Redwoods are native only to a narrow strip along the west coast of California and Oregon. Their range extends northward from the Santa Lucia Mountains of southern Monterey County to the Checto River in extreme southwest Oregon.

Redwoods grow taller than any other tree in the world, and are second in bulk only to the giant sequoia of the Sierra Nevada.

Redwoods are long lived, the oldest, by actual ring count, is just under 2,200 years. They mature at the ripe old age of 400 to 500 years.

Few pure stands of redwood exist; these only on the best sites, usually moist river flats and gentle slopes below 1,000 feet.

Redwood grows best on alluvial flats where successive floods have built up sediment deposits. In one area the ground level had been raised 11 feet in 700 years. The trees adapt themselves by originating new and higher root systems.

The tree thrives, not especially on the heavy rainfall of the north coast, but on the frequent summer fogs which blanket the region.

A special feature of redwood is its ability to produce burls, or growths of beautifully grained wood along the trunks of the tree. The cause of burls is unknown. The largest ever recorded was 75 feet in circumference and contained 30,000 board feet of wood.

Redwood produces abundant seed crops, but the seeds have inefficient wings which limit seed dispersal considerably. Pending more experimental work, openings in timber harvest areas should be limited to 20 acres when natural regeneration is planned.

After redwood stands are logged, some of the less tolerant or sprouting plants increase greatly in abundance. The greatest change in the flora of cutover sites is caused by the invasion of many species found rarely, if at all, in the virgin forest. Thirty-one plant species are listed which are found only in cutover areas and not in virgin stands.

The Pacific dogwood, elderberry, fivefinger fern, deer fern, monkey flower, and more than a dozen other species important in virgin redwood stands are seldom, if ever, found in cutover areas.

Redwoods require a great deal of soil moisture for survival, possibly because they have no root hairs. The trees also have no taproots. Without taproots for anchors, middle-aged trees are rather susceptible to blowdown, but a combination of wet soil and high winds is usually required for signicant damage.

AMENDMENT OF SECTION 502 OF MERCHANT MARINE ACT, 1936, RELATING TO CONSTRUCTION DIFFERENTIAL SUBSIDIES—CONFERENCE REPORT

Mr. MAGNUSON. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2858) to amend section 502 of the Merchant Marine Act, 1936, relating to construction differential subsidies. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of Aug. 18, 1966, CONGRESSIONAL RECORD, p. 19903.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. MAGNUSON. Mr. President, there was no real substantial disagreement between the two Houses. This bill would merely extend the Merchant Marine Ship Construction Subsidy Act at 55 percent of the construction cost compared to foreign costs.

I ask unanimous consent to have printed at this point in the RECORD a statement by the management of the bill.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

The Senate bill extended for 1 year to June 30, 1967, the authority of the Secretary of Commerce to make construction differential subsidy payments on new merchant vessel construction.

The House amendment extended such authority of the Secretary for a 2-year period to June 30, 1968.

The conferees determined that a 2-year extension would be in the public interest at this time and therefore the Senate receded from its disagreement to the amendment of the House.

Mr. MAGNUSON. The Senator from Ohio [Mr. LAUSCHE] is opposed to the conference report. I yield to the senior Senator from Ohio.

Mr. LAUSCHE. Mr. President, the Senator from Washington has stated my position. I disagreed with the decision reached by the conferees. I believe all the other conferees subscribed to the judgment just reported to the Senate by the Senator from Washington.

Mr. MAGNUSON. I thank the Senator from Ohio.

Mr. President, I move the adoption of the conference report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

DISTRICT OF COLUMBIA MOTOR VEHICLE UNSATISFIED JUDGMENT ACT

The Senate resumed the consideration of the bill (H.R. 9918) to amend the Fire and Casualty Act and the Motor Vehicle Safety Responsibility Act of the District of Columbia.

Mr. TYDINGS. Mr. President, I am advised by the distinguished assistant minority leader—and he will correct me if I am wrong—that the pending business, H.R. 9918, will not come to a vote this afternoon and that the Senator from Vermont [Mr. PROUTY] is prepared to ask for a live quorum if I press for third reading.

Mr. KUCHEL. As the Senator knows, regrettably, some of our colleagues are absent. I have been requested, in the absence of the Senator from Vermont, who is serving now on a conference committee, to ask the Senator from Maryland that this matter be continued—in other words, that no further action be taken today which would result in final passage or in the consideration of amendments.

Mr. TYDINGS. Am I correct in my assumption that if I attempted to press for third reading, the Senator would ask for a live quorum?

Mr. KUCHEL. The Senator is correct.

Under those circumstances, Mr. President, I believe that the public interest would best be served by having at least 51 Senators present and ready to proceed.

Mr. TYDINGS. In view of that, Mr. President, I think it is obvious that we will not reach a vote on H.R. 9918 tonight. There will be a pro forma session tomorrow, and on Tuesday next, the civil rights bill will be called up—or at least a motion to that effect will be offered.

I should like to ask unanimous consent that H.R. 9918 be made the pending business immediately upon conclusion of action upon the civil rights legislation.

Mr. DOMINICK. Reserving the right to object, Mr. President, the Senator from Vermont and I discussed this at some length yesterday. We did not have an opportunity, I must say, to talk with the Senator from New Hampshire [Mr. MCINTYRE], who is wholly opposed to this bill. We simply have some amendments that we wish to offer. I did not have an opportunity to talk with the Senator from New Hampshire, so I do not know what his position is.

We were agreeable to this type of procedure, but I understand that the majority leader did not want this type of procedure because of the problems with appropriation bills and a variety of other things that might come up for immediate action by the Senate right after the civil rights bill was finished.

So this puts me in the impasse of saying that I have no objection to it, but I do not think the majority leader wants it.

I would ask for some comment from the distinguished Senator from Maryland on that.

Mr. TYDINGS. I press my request for unanimous consent, then, Mr. President; and if no Senator objects, H.R. 9918 will be the first order of business. Of course, I work closely with the majority leader, and I will take my chances with him.

Mr. KUCHEL. Mr. President——

The PRESIDING OFFICER (Mr. LONG of Louisiana in the chair). As a Senator from the State of Louisiana, the present occupant of the chair would be compelled to object. Perhaps we could agree to it a little later in the day. The present occupant of the chair is of the impression that there is not a complete meeting of minds on what the agreement should be. When we agree to it, the unanimous-consent request can be made.

Objection is heard.

MRS. MARY T. BROOKS

Mr. McGOVERN. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1543, Senate 3553.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 3553) for the relief of Mrs. Mary T. Brooks.

Mr. KUCHEL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KUCHEL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KUCHEL. Mr. President, I register no objection to the request that the Senate lay down as the pending business Calendar No. 1543.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from South Dakota [Mr. MCGOVERN].

The motion was agreed to and the Senate proceeded to consider the bill (S. 3553) for the relief of Mrs. Mary T. Brooks which had been reported from the Committee on Rules and Administration, with amendments, on page 1, line 3, after the word "That", to insert "(a)"; and on page 2, line 5, after the word "erroneous", to strike out "separation." and insert "separation, and the period January 13, 1966, through February 26, 1966, shall be deemed a period of creditable Federal service by Mrs. Brooks for retirement and related purposes. The Public Printer is further authorized and directed to pay out of the cited revolving fund the agency contributions for retirement, life insurance, and health benefits purposes which would have been required by law had Mrs. Brooks been in paid employment during the period of her erroneous separation."; so as to make the bill read:

S. 3553

Be it enacted by the Senate and House of Representatives of the United State of America in Congress assembled, That (a) the Public Printer is authorized and directed to pay out of the revolving fund of the Government Printing Office the sum of $742.40, representing salary due Mrs. Mary T. Brooks, and employee of the Government Printing Office, for the period January 13, 1966, through February 26, 1966, when she was separated from her employment due to the erroneous notification by the Civil Service Commission of approval of her application for disability retirement. After tax withholding, payment of group life and health insurance premiums, and deductions of amounts due the Civil Service Retirement and Disability Fund, the balance of the amount hereby appropriated shall be paid to Mrs. Brooks in full settlement of any and all claims against the United States arising out of her erroneous separation, and the period January 13, 1966, through February 26, 1966, shall be deemed a period of creditable Federal service by Mrs. Brooks for retirement and related purposes. The Public Printer is further authorized and directed to pay out of the cited revolving fund the agency contributions for retirement, life insurance, and health benefits purposes which would have been required by law had Mrs. Brooks been in paid employment during the period of her erroneous separation.

(b) No part of the amount appropriated in this Act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this subsection shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Mr. KUCHEL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KUCHEL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

A NEW HOPE FOR AMERICAN CITIES

Mr. KUCHEL. Mr. President, the Subcommittee on Executive Reorganization has held a number of hearings in its effort to clarify the Federal role in our cities. These hearings have focused the attention of the entire Nation on the problems which afflict our urban communities; problems which are threatening the very life of every major city across America.

But our greatest challenge is not so much one of finding ultimate answers and solutions; it is rather one of analyzing symptoms and determining causes. Too many of our programs and our efforts have only added to the confusion and despair of our ghettos. Racial explosions in Watts, in my State, and in major cities throughout this Nation have made this point only too clear. We can never remove the causes of these tragedies by merely throwing more government money and more programs into

this effort. We must seek to understand and become aware of the many complex factors which make up the problem.

On August 22, I had the honor of appearing before the subcommittee to stress this need for civic awareness. When the concern of the community is aroused, there are no limits to the good that can be accomplished. Los Angeles today exemplifies the efforts of a community whose citizens are earnestly devoting themselves to the problems which have beset them. The second report of the Governor's Commission on the Los Angeles Riots reflects progress in areas of education, law enforcement, and employment. Private enterprise in this area has undertaken a constructive role in providing many jobs and training those who are unemployed. The Los Angeles Board of Supervisors only recently provided funds for acquisition of the property on which a much needed hospital in the Watts area will be built. As the commission concluded in its second report:

With the constructive assistance of the community itself and with a new resolve to carry out programs recommended and planned for that area, we hope for an enhanced prospect that there will be an end to violence and a beginning of a new era of harmonious relationships between the races in Los Angeles.

It is this same hope that must be aroused across this Nation if we are ever to find the ultimate answers to this crisis in our American cities.

I ask unanimous consent to have printed in the RECORD the statement I gave before the Senate subcommittee.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY U.S. SENATOR THOMAS H. KUCHEL, BEFORE THE SUBCOMMITTEE ON EXECUTIVE REORGANIZATION OF THE SENATE COMMITTEE ON GOVERNMENT OPERATIONS, AUGUST 22, 1966

In Plato's Republic, the following command is given to the guardians of his model city: "take every precaution that the city be neither small nor of illusory greatness, but of sufficient size and unity." Plato cautioned against entrance into the city of "riches and poverty", because "the one produces luxury and idleness and revolution, and the other revolution and meanness, and villainy besides." These words haunt the nation's headlines telling of the violence and the eruptions which afflict large tracts of urban America. And as our population explosion grows, the awesome chasm between "riches and poverty" continues to run through the cities of our affluent society.

In California, our approximately 20 million people will reach 50 million before the end of this century. Every year, we face increased challenges in the fields of employment, education, transportation, housing, pollution, indeed, in every facet of human existence in our country's urban and suburban life. The pattern of growth may be seen in sprawling suburbs with their vast shopping centers and parking lots, their housing subdivisions and their freeways, all symbolizing the decay of center city.

With the decay, luxury and idleness have gone hand in hand. And with an alarming frequency, in sections of great American cities, revolution and lawlessness have burst forth, sometimes with terrible overtones of social bigotry and hate. That has been the tragic by-product of concentrations of poverty in the heart of each troubled city. We have been slow to understand. Years ago, we saw only the physical delapidation which we called "slums". Later, we thought it might be some kind of a disease, and we called it "blight". Today, we recognize these concentrations as the consequence of poverty, discrimination and lack of opportunity—a form of social, economic and political ostracism which we call the Twentieth Century American Ghetto.

When we speak of an increase of crime in the cities, when we talk of poverty and unemployment, or of the lack of housing and health and education, the ghetto comes first in our minds. It is an expression of what Secretary John Gardner referred to as "the problems of poverty and the problems of the Negro." "The fate of the urban poor and urban Negro," he said, "are bound up with the fate of the city, and the city is in grave trouble." And in our heterogenous America of 200 million people, there are other ethnic groups whose future is largely the same, and whose fate is equally bound up with the fate of the city.

In recent years, the federal government has attempted to help, but the problems at the center of our cities continue to grow. As the distinguished Chairman of this Subcommittee has continually pointed out during these hearings, federal programs and funds are not striking at the problems. Indeed, they may very often compound the problems of the poor and disadvantaged who are stuck in city-center. All of our modern technology, our mass production, and our new building techniques can be utilized in building anew in the suburbs, but the cost of their use in city-center is enormously higher. America is by tradition a frontier society accustomed to breaking new ground; we have yet to learn fully the subtler arts of conservation and rehabilitation.

To solve the terrible questions of the ghetto, we need to search deeper into the social causes which create the ghetto and perpetuate its problems. Federal funds have been used to assist the members of poor and broken families, but is there not a real need to seek the means of preventing families from breaking at all? How best may hope and pride replace despair? There is a federal interest in decent housing; that interest is advanced and made meaningful when pride of ownership is available to the head of the family. There is a clear national interest in the education of all our youth, and there is a clear national duty to prevent any of our children from inheriting a bleak future of illiteracy and unemployment. The menacing question for urban America is how best to break down the economic and social walls which restrict opportunity and breed urban degeneration. Much of the answer lies in understanding the social forces which have helped to create those walls. This understanding should be the result of our initiative and efforts; it should not be the brutal lesson of a riot or of a racial disturbance.

A year ago in Watts, there occurred a civil explosion which shattered the summertime complacency of my state and of the entire nation. After six days of rioting, the toll stood at 34 dead and over a thousand wounded. Property damage was estimated at over $40 million. The Report of the Commission on the Los Angeles Riots subsequently appointed by the Governor, states, "The lawlessness in this one segment of the metropolitan area had terrified the entire county and its 6,000,000 citizens."

Prior to that occurrence, the State of California had been relatively immune from any widespread civic unrest. Many people had come to believe that in our open and sundrenched environment, there would be no echo of the riots in Harlem or Detroit. But the causes of disturbance were equally present in Watts.

While it may not have all the outward appearance of a slum, Watts is a Negro ghetto. Most of its small houses contain several families. A large percentage of its potential work force is unemployed. Its schools are terribly overcrowded. Many youngsters go to school half-days, and are idle the rest of the time. The average fifth grade student is unable to read, to understand a newspaper or classroom books. Advancing to the next class has been mainly a matter of age. Public transportation is limited. Hospital beds are deficient. Until after the riots, there was no employment office in the community. These were some of the factors that led to the explosion in the late, hot summer of 1965; an explosion which the Governor's Commission described as "a formless, quite senseless, all but hopeless violent protest—engaged in by a few but bringing great distress to all."

There is a lesson for the nation in the tragedy of Watts. Recommendations of the Governor's Commission may be applied to cities everywhere. The federal government should learn from the experience of Watts. Several measures suggest themselves which the government might consider in meeting critical urban problems.

First of all, this Subcommittee should seek to *awaken a civic concern for the urban crisis in our country.* There is an urgency in solving the problems of our cities and all Americans, whatever their color, must become aware of this urgency. All citizens must fully understand and accept their responsibilities as Americans. Too many of us have, for too long a time, pushed the problems of the ghetto aside. We simply were not interested in them. Many of our actions have been only reactions to the violence that has erupted. A year ago, the Governor's Commission in Watts concluded that a "revolutionary" change in the attitude of the public was needed. The necessity for that change is more apparent today than ever before. Only last June, bond issues to provide new schools and a new hospital for the Watts area failed to win the approval of the voters. These disappointments emphasize the need to awaken a civic consciousness and a civic conscience in the problems of our cities. Without this support, the laws we make and the proposals we adopt will be in vain.

One of these proposals—the Demonstration Cities and Metropolitan Development Act of 1966—recently was approved by the Senate. It is good that we have done this. There are other sound proposals currently before the Congress which are directed also at ghetto problems; among these, the proposed Human Investment Act and Economic Opportunity Corporation. *The employment of the resources of the private economy in the community* itself would allow the disadvantaged to take part in these community efforts. It would aid the development of personal initiative and community pride. Many of the current OEO programs seek to provide financial assistance to the poor, but fail to give them a chance for full participation in the operations of the economy. Public expenditures alone cannot accomplish the goals of this program. To be successful, the war against poverty and against the segregation of the ghetto must recognize the need—and the desire—of man to help himself. The head of the Governor's Commission in Watts, former CIA Director John McCone, said "This is after all a competitive society. We must all compete. And the Negro must compete along with others if he wants to attain certain goals." An effective fight against poverty must recognize the necessity for man to participate fully in the broad range of American society. Private enterprise must be put in the first line of the struggle against poverty.

In the isolation of the ghetto, there is little or no communication with the main-

stream of greater urban society. As the Attorney General noted before this Subcommittee last week, the policeman, who symbolizes the authority of the outer world, becomes the buffer between the affluent and the disadvantaged. He needs sympathy and help. Last year, the Congress passed the Law Enforcement Assistance Act authorizing Federal funds to improve the capability of State and local agencies. The Justice Department has recently announced a special series of grants under this Act for police-community relations programs. This is a forward step in helping to bridge the chasm of understanding, astride which we have left our police forces. The policeman needs understanding and help from both sides. All citizens in this free society must uphold the dignity of law and the preservation of order; they have an inescapable duty to respect and to assist constituted authority.

I suggest that the Subcommittee consider further *measures to improve relations between the police and the city.* The stability of these relations is essential to the prevention of crime. At the present time, there are a number of continuing studies in this area by federal, state and local law enforcement agencies as well as by public and private universities. It may be well to consider the possibility of coordinating these efforts in police-community relations at the federal level. Such a program would draw from the knowledge and experience of recognized authorities in developing the latest and most advanced information in this complex area.

Where riots have occurred or are threatened, *those seeking to purchase homes are unable to do so because of the unavailability of long term credit.* I speak of areas which are economically sound except for the fact that riots have occurred or are threatened. The effect of this lack of home financing is to punish those inhabitants of potential riot areas who have a stake in the social order, who are or who want to be property owners, and who hold to the same standards of morality and behavior which you and I would approve in any citizen. The amendment to the Housing legislation which some of us offered last week in the Senate and which the Senate adopted, would allow FHA to assist such potential buyers; buyers who will lend stability to their communities. Certainly, federal assistance here is a step towards creating a better community for the future.

It should be stressed that much of *the hope of those confined to the problem areas of our cities rests with improved education.* Such programs as Operation Head Start are essential to our efforts.

Only last week, the McCone Commission, in a supplemental report, again stressed the need of improving education: "Improvement in the educational achievement of the Negro is of fundamental importance to the solution of the whole spectrum of problems of race relations." This report stressed the need for special programs for the disadvantaged such as Head Start and also cited New York City's More Effective Schools pilot program as an admirable example in this field. This particular program involves such features as 15-pupil classes, special tutoring for problem cases, psychological counseling and special inducements to attract teachers to this work.

The words of Chairman McCone should guide our efforts in this area: "We believe that it may be much more expensive in the long run for our society if such programs are not promptly adopted. It is our conviction that we are taking an unnecessary and dangeous risk with our national destiny if we do not make a massive effort to raise the educational levels in disadvantaged areas."

The suggestions and programs I have referred to are possible solutions to the problems we face in our cities. I don't know the answers, but I do see the symptoms. And I know that my country cannot stand any growing pattern of violence, bloodshed, bigotry and hate. The ghettos of America cry out for our attention. We need to remove as many of the causes as we can. The problem is as multi-sided and complex as human life itself which is precisely what it is. We need the benefit of the wisest guidance possible. We need to try to improve human nature at the same time we seek to improve human environment. It is good that your Subcommittee is directing its attention, and the attention of our people, to a real danger in our midst. If you can lead in awakening an American civic conscience, sound solutions will be forthcoming giving new hope for our cities and our American society.

U.S. FORCES IN EUROPE

Mr. JAVITS. Mr. President, a resolution has been placed on file by a group of sponsors, led by the majority leader, which we understand responds to a series of considerations and discussions which have been taking place in the Democratic Policy Committee with respect to the reduction or, as the resolution puts it, the "substantial reduction" of U.S. forces stationed in Europe.

I speak to this subject now, Mr. President, because while it may be coming up next week, I may or may not be in Washington, depending on the exigencies of the convention of my party which will take place on Wednesday and Thursday of next week. Therefore, I wish to state at this time that, in my judgment, it would be ill advised to adopt such a resolution.

It may very well be that our forces are susceptible to being reduced in Europe. Our balance of payments are a factor, although I believe that there are others, including an increase in our exports. There is also the question of how much our tourists are spending abroad compared to what tourists are spending here, which can represent a reduction in our balance of payments which would be infinitely less dangerous that what this kind of resolution would do.

First, this is hardly the kind of matter to commit to a resolution. All it would do would shake the security of the alliance, and put in doubt whether the United States intends to honor its commitments to NATO. This is exactly the kind of thing which should be entrusted to the President and to negotiation, instead of having a broad-scale declaration by Congress which would be a finding of fact adverse, in my judgment, to our interests. Second, it would also represent a major change in U.S. policy toward NATO. It represents an initiative which should come from the President and not from Congress, such as was done in the Bay of Tonkin resolution, the Lebanon resolution, and other resolutions which we have adopted. It should be done by request of the President, not gratuitously by Congress, thereby impairing the confidence which our European allies are entitled to have in NATO.

Third, it must be done in consultation with our allies. It should not be done unilaterally. Fourth, there is the worry that we have given top priority to Asia and not to Europe, and all we would do would be to feed that worry. Fifth, in my judgment, this kind of declaration—and I separate the declaration from the force reduction—would put pressure upon the Soviet Union, because it may cause the Soviet Union to make some move in order to show that they are good, true Communists in their race and competition with the Chinese Communists.

But, beyond everything else, what it would do would be to encourage nationalism in Germany. The other major problem facing the world, other than the intransigence of Communist China, which is the other great threat to the peace of mankind, is the rise again of nationalism in Germany.

West Germany now has 420,000 troops committed to NATO. It is the largest NATO force. France has more troops, but none are committed to NATO. The German situation of being pan-European is already shaken by the fact that France is imperiling NATO at the very least. But the destabilizing effect of such a declaration by Congress—as is sought by this resolution—could very well tip the balance, again forcing Germany to go it alone. That would be the straw that could break the camel's back in terms of world peace.

Mr. President, I could think of nothing which would be more conducive to German nationalism than a declaration of this character by Congress. I hope very much that it is not made, because it would be very much against our own interests if the United States neglected NATO.

Mr. President, I join with those who sponsor this resolution in the hope that a real reduction of our NATO forces will soon be feasible. But, it must be done in consultation with our NATO Allies. It must be the result of some kind of European settlement so that we will know which way the Soviet Union is going. It must be done in connection with the greater European integration rather than the pulling apart—which is now evident from the withdrawal of France—the integration process of Europe.

What appalls me about this situation is that there are no quid pro quo terms. Is the Soviet Union going to withdraw anyone from anywhere? Is this going to assure us of any help from our NATO allies in the area in which they have been most derelict—to wit, in Vietnam? Or, do we give up completely our trading position and give them notice that we are giving heavy priority to Asia? I think it is an ill-advised time in which to do what we are talking about here.

It is unwise for Congress to pass this resolution and to serve such notice to our NATO partners without alliance consultations. I hope that Congress will not pass this resolution.

IMPENDING MILITARY COUP IN THE DOMINICAN REPUBLIC

Mr. JAVITS. Mr. President, I invite the attention of the Senate to very serious rumors which we are hearing. I speak now to the reports that there may be a military coup in that tortured country of the Dominican Republic which has been already subjected to so much travail and so much difficulty.

A military coup in the Dominican Republic has been widely discussed in the press as being a real possibility. There does not seem to be any connection about the fact that where there is all that smoke there must be some fire.

It may be that the Dominicans are uneasy about their political situation because of the impending withdrawal of the Inter-American Peace Force scheduled for September 28.

The United States should make it perfectly clear that we are committed to the government of President Balaguer, a government that came into being as a result of free elections supervised by the Inter-American Peace Force. Our relations with other American Republics were jarred by our military intervention in the Dominican Republic, and this jarring can only be corrected by fidelity to the results of the free elections—the Balaguer government.

I am not saying that we should intervene militarily in the event of another military coup d'etat. We have already had considerable trouble on that score up to now. I think we have a right to, first, stand by the Balaguer government and the electoral process which created it; second, if the Balaguer government agrees, the Organization of American States should send a factfinding team into the Dominican Republic to look into the possibility of a military coup and then recommend appropriate action to the Council of the Organization of American States, if any action is warranted, so that we would be warned well in advance and not be overtaken by events, as we were in Argentina, with what I consider to be deplorable results for the United States.

In short, Mr. President, I urge our President and our State Department, perhaps in consultation with congressional leaders, as is the usual pattern, to give our attention to the dangers which are now so widely and publicly being discussed in the press concerning a military coup in the Dominican Republic and to be abreast of that danger, rather than to be overtaken by it: First, through asserting our fidelity to the Balaguer government and the processes that brought it into being; and, second, by asking the OAS to send an observers team there, so that the OAS may be seized of the situation there, and so that if action is taken, it may be multilateral rather than unilateral, as it was before.

I ask unanimous consent that several articles and an editorial on this subject be entered in the RECORD.

There being no objection, the articles and the editorial were ordered to be printed in the RECORD, as follows:

[From the Washington (D.C.) Post, Aug. 20, 1966]

SANTO DOMINGO SHOWDOWN

President Balaguer has met the wave of coup rumors in the Dominican Republic by proposing a law limiting the extracurricular activities of political parties. That this extreme measure should be considered necessary so soon after an election is a sad commentary on the refusal of malcontents to accept the vote of the majority. The proposed law is directed, not against the established parties, but against the extremist elements of both right and left that have plagued the new administration since it took office July 1. The agitation from the far left is endemic and predictable; but it is the rightists clustered around General Imbert and former President Bonnelly who have been doing the most to undermine the regime.

Evidently Mr. Balaguer's strategy is to force a showdown with the rightists in the military before mid-September, when the bulk of the Inter-American Peace Force will have been withdrawn. Fortunately, a substantial majority in the armed forces is said to support the President. The others ought to understand thoroughly that it is the policy of the United States to back Mr. Balaguer in his program of reform, and that this country would join its colleagues in the Organization of American States in vigorous resistance to any misguided attempt to overthrow the newly elected government.

[From the Washington (D.C.) Post, Aug. 10, 1966]

CRISIS BREWS IN BALAGUER CURB ON MILITARY

(By Dan Kurzman)

A new Dominican crisis may be mushrooming from attempts by President Joaquin Balaguer to win full control of the armed forces.

Balaguer has already replaced National Police Chief Jose de Jesus Morillo Lopez with a trusted supporter, Lt. Col. Luis Nez Tejad Alvarez. Reports indicate he may soon move to replace Armed Forces Minister Enrique Perezy Perez as well.

Simultaneously, Balaguer, who took office on July 1, acknowledged in a radio broadcast last week that rumors abounded about plots against his regime, and appeared to suggest that all of them might not be without foundation.

"All these rumors are untrue," he said, but then quickly added, "or at least are not serious."

Balaguer went on to explain that the matter that has been chiefly responsible for the street gossip . . . is the fact that Gen. Antonio Imbert Barrera has recently multiplied the visits he pays military establishments and that these visits have often lasted several hours."

Imbert, one of the two surviving assassins of dictator Rafael Trujillo, was President of the short-lived, United States-sponsored "Government of National Reconstruction" following the U.S. military intervention in the Dominican Republic in early 1965.

Speculation that Perez might soon be replaced was reinforced by what appeared to be a rebuke in Balaguer's radio broadcast.

"Obviously," the President said, "Imbert and . . . Perez will be doing a notable service to restoring peace in the nation if steps are taken to stop (Imbert's visits) during (this) delicate period . . . "

Experts here believe that Balaguer hopes to achieve reform of the armed forces before the Inter-American Peace Force is completely evacuated from the country. The last of these troops are expected to depart by the end of September.

Balaguer and former President Juan Bosch, the losing candidate in the recent presidential election, reached a secret understanding shortly after Balaguer's victory whereby the new President would push for reforms in the military, and Bosch's Dominican Revolutionary Party (PRD) would cooperate with the government. Three PRD leaders have joined Balaguer's cabinet.

It is speculated in Santo Domingo that Balaguer and Bosch may use an incident that occurred on Monday to furnish justification for changes in the armed forces leadership. The secretary-general and seven other leaders of the PRD were arrested by Air Force officers at Barahona. They were finally released, and Balaguer has ordered an investigation of the incident.

Not excluded in the speculation is the possibility that Balaguer and Bosch may have "arranged" the arrests as a pretext for changes in the military.

If Perez loses his post, his replacement is expected to be Balaguer's chief military adviser, Col. Neit Nival Seijas, a long-time supporter of the President.

Experts believe that if Seijas replaces Perez, he will seek to "cleanse" the upper military echelons of untrustworthy commanders and perhaps clear the way for a reduction in size of the nation's bloated military establishment.

[From the St. Louis Post-Dispatch, Aug. 28, 1966]

SANTO DOMINGO ARMY PLOTTING COUP, UNITED STATES TOLD—BALAGUER OUSTER SAID TO BE TIMED AFTER U.S. PULLOUT

(By Donald Grant)

UNITED NATIONS, N.Y., August 27.—United States authorities have been warned of a military plot to overthrow the civilian government of the Dominican Republic, the Post-Dispatch learned today.

One of the warnings, it was learned, was transmitted to the Department of State through the United States delegation to the United Nations. State Department officials, although uncertain of the seriousness of the warning, are disturbed at the prospect of another blowup in the Dominican Republic in advance of the November elections in the United States.

The warning, as it reached the American delegation here, included details of plans. Also, it is reported Dominican military officers have made tentative inquiries in Washington—presumably through the Department of Defense or the Central Intelligence Agency—about the United States attitude toward a new military coup in the Dominican Republic. They were told, it is reported, that such a coup would be looked on with extreme disfavor.

Information reaching the U.S. delegation to the UN was that a coup is planned for the end of September or the first of October.

TIMED FOR TROOP DEPARTURE

United States troops are scheduled to leave the Dominican Republic by the end of September. Some American diplomats believe the report was given United States authorities in the hope that departure of American forces would be delayed. There is belief in the Dominican Republic that new violence will follow the departure of American troops, who are in the Dominican Republic as part of an Organization of American States peace force.

United States diplomats here were told that the recent assassination of Ramon Emilio Mejia Pichirilo, an associate of former President Juan Bosch and a leader of last year's attempt to return Bosch to power, was connected with the planned military coup.

Mejia Pichirilo, it is said, was invited to join the conspiracy, but refused. His refusal, however, took place after he had attended a meeting of the conspirators, who then feared that he would report their activities to Dominican authorities.

NAMES OF PLOTTERS GIVEN

Names of Dominican naval and army officers said to be involved in the planned coup have been given United States authorities. At least two of the Dominican officers are living in the United States.

Dominicans who transmitted the warning to United States authorities did so in secret, it is learned, because threats against their lives have been made by Dominican military officers involved in the alleged plot.

The Dominican military officers, it is reported, plan to conduct the coup in the name of anti-Communism. Plans include some

staged left-wing activity in Santo Domingo as a prelude to the coup, it is said.

Dominican officers involved are said to be dissatisfied with President Joaquin Balaguer because he continues to accept the support of Bosch, who has assumed the role of leader of the "loyal opposition." A new meeting between Bosch and Balaguer is planned, it is said, at which the danger of a possible military takeover will be discussed.

BALAGUER LEADERSHIP QUESTIONED

Bosch's followers are said to view Balaguer as a weak tool of forces beyond his control. Balaguer has sought support of some sections of the Dominican military leadership and of the landed aristocracy.

Dominican military leaders, seeking vindication for their defeat in the fighting last year, are said to prefer the leadership of Gen. Elias Wessin y Wessin, who overthrew Bosch in 1963 and who led the fight against the rebels in 1965. Gen. Wessin y Wessin, formerly a protege of the United States, was last reported to be in Miami, Fla.

Dominican aristocrats, on the other hand, are said to prefer the present vice president, Augusto Lora. One plan considered, it is said, was to induce President Balaguer to resign so that his place might be taken by Lora.

[From the Christian Science Monitor, Aug. 26, 1966]

DOMINICIAN ARMY ROLE BLURRED

(By James Nelson Goodsell)

SANTO DOMINGO, DOMINICIAN REPUBLIC.—A decided sense of uneasiness fills the air here as the Balaguer administration completes its first 60 days in office and as units of the Inter-American Peace Force (IAPF) leave the island.

Much of the unrest centers on the role of the nation's military and its future, particularly after the last units of the IAPF leave around Sept. 20. There are many here who openly forecast major trouble because, they argue, there then will be no restrain upon the military.

Already there are signs that the military does not entirely support President Balaguer. Numerous reports circulate of military displeasure over the much-rumored Balaguer effort to place curbs on the military.

At the same time, reports of military and police activity against former Constitutionalists in last year's revolution are mounting. Many observers ask, in effect, what will happen once the last IAPF units are gone.

IMPROVEMENT FORESEEN

While recognizing the vacuum which the withdrawal will leave, other observers foresee the political and economic condition of this nation improving under President Balaguer. As a result of this reasoning, they are cautiously looking beyond Sept. 20 to a happier future.

Moreover, those who do not foresee early difficulties note that rumors of trouble and of military activity are endemic in the Dominican Republic.

While there is no clear consensus on the future of this island nation, any assessment one receives here includes frequent references to the military. In these assessments Joaquin Balaguer is regarded widely as having made an adequate start. He has initiated a number of operating reforms, clamped down on administrative laxness, tightened up the tax-collection system, and pushed through a reform measure aimed at correcting misuse of sugar lands.

On the other side of the coin, however, President Balaguer's appointment of political cronies, dismissal of a number of bright young men brought into government in recent years, and the proposed political-truce bill, which would sharply inhibit opposition, have all been widely criticized.

Yet President Balaguer has retained much of his initial popular support, reflected in the 59 percent of the vote he won June 1. The first 60 days have been fairly smooth.

This may be due largely to the effective, but restrained opposition led by Juan Domingo Bosch, whom Mr. Balaguer defeated in the election. A widespread feeling here is that Mr. Bosch and his Partido Revolucionario Dominicano are playing the role of constructive opposition as no Dominican opposition group has ever done before.

Yet, the uneasiness over the future persists. No one really knows what the Army plans to do after Sept. 20.

Some highly placed Dominicans and a few foreign observers say they believe the Dominican Army will move against President Balaguer soon after the peace force pulls out. Sept. 23, third anniversary of Mr. Bosch's own ouster from the presidency by the military, is often given as a possible target date.

REBELS SLAIN

But such a move appears unlikely because there are still restraints on the military—restraints which will remain after the departure of the IAPF.

Among these are the number of nonpolitical officers in key Army and Air Force positions, the difficulty of preparing details of a coup at a time the peace force still is in control of many facilities around Santo Domingo, and the fact that outright opposition to President Balaguer has not coalesced in the military.

More immediate concern about the military centers on the question of the military role in the present attack on former members of the rebel, or Constitutionalist, command during the 1965 revolution. Several dozen Constitutionalists have been killed in recent months. Neutral observers here say that Army and police units are responsible.

After the IAPF leaves, will the military launch a widespread vendetta to settle old grudges and to expunge the record of its near defeat at the hands of the Constitutionalist forces?

Mr. JAVITS. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. KENNEDY of New York in the chair). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KUCHEL. Mr. President. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

EMERGENCY ACTION TO HALT DESTRUCTION OF CALIFORNIA REDWOODS

Mr. KUCHEL. Mr. President, earlier today, I read into the RECORD the news on the ticker that the President had just announced that he was sending to Congress, marked "urgent," a bill which would give the United States an easement in the timberlands owned by the Miller Redwood Co., in northern California. Under the legislation the virgin redwood area owned by Miller, and proposed by the National Government as a park, would be protected for a period of 1 year. During that time we would all hope that Congress will see fit to create the National Redwood Park, as proposed by the President earlier this year.

I observed earlier that I hoped it might be possible to introduce the legislation in the Senate today, for I completely agree with the assertion of the Secretary of the Interior, that the company's cutting in the area proposed for the Redwood National Park, is "spite cutting"—in furtherance with what the Secretary called the "public be damned" attitude of the company.

I have just had delivered to me by messenger a proposed Senate Joint Resolution which would provide for the preservation of the magnificent trees within the boundaries of the proposed Redwood National Park until Congress has had an opportunity to determine whether the park should be established.

The proposed Senate joint resolution provides:

That in order to prevent a frustration of the legislative process the United States hereby takes a right, privilege and easement on all lands or interests in lands within the boundaries of the proposed Redwood National Park as identified in S. 2962 which on September 1, 1966, were owned directly or indirectly by the Miller Redwood Company. Such right, privilege and easement shall prohibit all cutting prior to October 15, 1967, of timber growing on such land.

SEC. 2. Any action against the United States for the recovery of just compensation for the interest taken by section 1 of this Act shall be brought in the District Court of the United States for the district in which the land is located.

SEC. 3. The Secretary of the Interior may accept donations for the purpose of paying just compensation as determined pursuant to section 2 of this Act.

SEC. 4. Any person who as principal, agent, or employee engages in timber cutting operations that are prohibited by the right privilege and easement taken by section 1 of this Act shall be subject to a fine of not more than $50,000 for each day such cutting occurs, or for imprisonment for not more than one year, or both.

SEC. 5. Any action or threatened action in violation of the right, privilege and easement taken by section 1 of this Act shall be subject to immediate restraining order or an injunction upon application of the Attorney General to the appropriate Federal court.

I am delighted to say that the distinguished chairman of the Committee on Interior and Insular Affairs has informed me that he would be honored to join me in sponsoring this legislation.

I ask this question, Mr. President: May I seek consent to let this joint resolution lie on the desk until an appropriate day next week so that other Senators may join me in sponsoring the legislation?

The PRESIDING OFFICER (Mr. KENNEDY of New York in the chair). By unanimous consent, the Senator from California may take that step.

Mr. KUCHEL. Mr. President, I have only read the substantive sections of the resolution. I ask unanimous consent that the text of the joint resolution appear in the RECORD at this point.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 192

Joint resolution to preserve the trees within the boundaries of the proposed Redwood National Park until Congress has had an opportunity to determine whether the park should be established

Whereas the President in his Natural Heritage message of February 23, 1966, proposed

the creation of a Redwood National Park in northern California; and

Whereas the Secretary of the Interior transmitted to Congress proposed legislation for that purpose; and

Whereas bills for that purpose have been introduced and are now pending in Congress; and

Whereas the Miller Redwood Company which owns most of the privately owned land within the proposed park boundaries is engaged in or is about to engage in timber cutting operations that will destroy large numbers of redwood trees that are irreplaceable, and such cutting operations may defeat the purpose of the pending legislation; and

Whereas the Miller Redwood Company has refused to discuss with the Secretary of the Interior a proposal that cutting operations within the proposed park boundaries be deferred pending congressional consideration of the proposed park legislation, under an agreement that would appropriately compensate the landowner: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That in order to prevent a frustration of the legislative process the United States hereby takes a right, privilege and easement on all lands or interests in lands within the boundaries of the proposed Redwood National Park as identified in S. 2962 which on September 1, 1966, were owned directly or indirectly by the Miller Redwood Company. Such right, privilege and easement shall prohibit all cutting prior to October 15, 1967, of timber growing on such land.

SEC. 2. Any action against the United States for the recovery of just compensation for the interest taken by section 1 of this Act shall be brought in the District Court of the United States for the district in which the land is located.

SEC. 3. The Secretary of the Interior may accept donations for the purpose of paying just compensation as determined pursuant to section 2 of this Act.

SEC. 4. Any person who as principal, agent, or employee engages in timber cutting operations that are prohibited by the right, privilege and easement taken by section 1 of this Act shall be subject to a fine of not more than $50,000 for each day such cutting occurs, or for imprisonment for not more than one year, or both.

SEC. 5. Any action or threatened action in violation of the right, privilege and easement taken by section 1 of this Act shall be subject to immediate restraining order or an injunction upon application of the Attorney General to the appropriate Federal court.

Mr. KUCHEL. Mr. President, I send to the desk a Senate joint resolution, which I introduce. I do it for myself, and the distinguished junior Senator from New York [Mr. KENNEDY]. I ask that it lie on the desk until the close of business next Wednesday, September 7, for the purpose of additional coauthors, and that it be thereafter appropriately referred.

The PRESIDING OFFICER. Without objection, it is so ordered.

The joint resolution (S.J. Res. 192) to preserve the trees within the boundaries of the proposed Redwood National Park until Congress has had an opportunity to determine whether the park should be established, introduced by Mr. KUCHEL (for himself, and Mr. KENNEDY of New York) was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

ADJOURNMENT UNTIL 9 A.M. TOMORROW

Mr. KUCHEL. Mr. President, if there is no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 9 a.m. tomorrow morning.

The motion was agreed to; and (at 3 o'clock and 7 minutes p.m.) the Senate adjourned until tomorrow, Friday, September 2, 1966, at 9 o'clock a.m.

CONFIRMATION

Executive nomination confirmed by the Senate September 1, 1966:

NATIONAL LABOR RELATIONS BOARD

Gerald A. Brown, of California, to be a member of the National Labor Relations Board for a term of 5 years expiring August 27, 1971. (Reappointment.)

HOUSE OF REPRESENTATIVES

THURSDAY, SEPTEMBER 1, 1966

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Let us love one another: for love is of God; and everyone that loveth is born of God, and knoweth God.—I John 4: 7.

O God, who hast guided our fathers to build on these shores a nation of the people, by the people, and for the people and who didst give them faith to believe that they may become one in spirit with liberty and justice for all, move Thou within our hearts that we may live according to Thy holy will and that we may be open to the leading of Thy gracious spirit.

Remove from our minds all bitterness and all contempt for one another, that departing from all that divides us we may by Thy grace arrive at a new unity of spirit that being one with Thee we may be one with our fellow man.

May our spirit be the spirit of good will, may our security be the security of good will, may our strength be the strength of good will where each may live for all and all may care for each. In the Master's name we pray. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate has passed without amendment bills of the House of the following titles:

H.R. 399. An act to provide adjustments in order to make uniform the estate acquired for the Vaga Dam and Reservoir, Collbran project, Colorado, by authorizing the Secretary of the Interior to reconvey mineral interests in certain lands;

H.R. 790. An act to rename a lock of the Cross-Florida Barge Canal the "R. N. Bert Dosh lock";

H.R. 8000. An act to amend the Ship Mortgage Act, 1920, relating to fees for certification of certain documents, and for other purposes;

H.R. 12328. An act to extend for 3 years the period during which certain extracts suitable for tanning may be imported free of duty;

H.R. 12461. An act to continue for a temporary period the existing suspension of duty on certain istle; and

H.R. 13284. An act to redefine eligibility for membership in AMVETS (American Veterans of World War II).

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 9424. An act to provide for the conservation, protection, and propagation of native species of fish and wildlife, including migratory birds, that are threatened with extinction; to consolidate the authorities relating to the administration by the Secretary of the Interior of the National Wildlife Refuge System; and for other purposes; and

H.R. 14929. An act to promote international trade in agricultural commodities, to combat hunger and malnutrition, to further economic development, and for other purposes.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 14929) entitled "An act to promote international trade in agricultural commodities, to combat hunger and malnutrition, to further economic development, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. ELLENDER, Mr. HOLLAND, Mr. TALMADGE, Mr. JORDAN of North Carolina, Mr. MCGOVERN, Mr. AIKEN, Mr. YOUNG of North Dakota, and Mr. COOPER to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 13448) entitled "An act to amend title 39, United States Code, with respect to mailing privileges of members of the United States Armed Forces and other Federal Government personnel overseas, and for other purposes," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MONRONEY, Mr. YARBOROUGH, Mr. RANDOLPH, Mr. CARLSON, and Mr. FONG to be the conferees on the part of the Senate.

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 2393) entitled "An act to authorize additional GS–16, GS–17, and GS–18 positions for use in agencies or functions created or substantially expanded after June 30, 1965," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MONRONEY, Mr. YARBOROUGH, Mr. RANDOLPH, Mr. CARLSON, and Mr. FONG to be the conferees on the part of the Senate.

The message also announced that the Senate concurs in the amendment of the House to a concurrent resolution of the Senate of the following title:

S. Con. Res. 82. Concurrent resolution to authorize the printing of the hearings of the